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AND INDUSTRIAL AFFAIRS

OPEN CHANNEL: A CASE STUDY

This report has been produced with the assistance of Open Channel staff and members.

Information contained in the report has been supplemented by interviews with present staff members and co-operative members, as well as people involved with Open Channel in the past.

Written and researched by Jennifer Coak and Kim Windsor, with typing assistance from Evelyn Gialanze.

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This Case Study has been funded by the Co-operative Development Program of the Victorian Department of Employment and Industrial Relations.

It is intended for use as a resource for individuals or organisations interested in establishing or developing co-operatives, as well as for new Open Channel staff and co-operative members. The full brief is attached in Appendix 1.

The report addresses the specific issues outlined in the brief, in the context of providing an overview of the past and present objectives of Open Channel and the organisational structure it has adopted to work towards these. It examines in some depth, the ways groups and individuals within that structure operate and how their relationships have changed over time.

The purpose of this exercise is to draw from the experience of Open Channel, lessons which can instruct and assist individuals and groups with an interest in co-operatives. As such, it has not set out to record or assess the overall operations of Open Channel, but rather concentrates on some of the difficulties and tensions that have confronted an organisation with a commitment to co-operation. Open Channel is now in its ninth year of operation and as such, provides a useful insight into the potential and difficulties of an enterprise servicing both community and commercial markets, in translating democratic principles into a working definition of co-operation.

This work has relied on information made available by Open Channel and interviews with past and present staff and members of the co-operative. We would like to thank all those who contributed their views and their time.

1. OPEN CHANNEL - AN INTRODUCTION

Open Channel is a co-operative which was established to provide an environment and resources for the production of creative and socially relevant video and television programs. From modest beginnings, it has grown to become Australia's largest 'community-based' video production organisation.

As an organisation committed to the principles of democracy, it has aimed to develop a structure which allows for and encourages member involvement in setting the overall objectives and orientation. Within these constraints, it supports staff autonomy to be self-determining in organising the day-to-day operations of the Centre.

At present there are around 200 members and 14 staff at Open Channel. Its services now include production, hire of facilities and the provision of general and specialist training and education courses in all facets of video productions. Production and hire rates tend to be at the lower end of the commercial market with subsidised services being available to groups and individuals who meet a set of criteria. The Australian Film Commission (AFC) has been the major source of funding which partly offsets the cost of these subsidised activities.

To provide some insight into the present structure and operations of Open Channel, this report summarises the history of its development. The issues that have arisen and structural responses which they have prompted, reflect the transition of an organisation from a small community access facility employing four permanent staff and almost totally dependent on government funding, to its present day size and operations.

In this process, two key issues underlie many of the debates and organisational changes :

1. How to balance the interests of members and subsidised users of Open Channel's facilities with economic imperatives. As Open Channel operates in a highly-capitalised industry, this issue is more critical than is generally the case for many community-based co-operatives.
2. How to structure the organisation in a way that provides for effective involvement of its members. In the early days with a small member base, general meetings held the power to make decisions. In theory, at least, this provided for direct input of all members into most decisions. Today, members' involvement in decisions is channelled through their elected Board representatives.

How Open Channel has responded to these problems is the focus of this report.

1.1 Origins

In 1974, the Federal Government through the Film and Television Board provided funding to establish 11 Video Access Centres around Australia. The first of these centres was the Video Access Centre located in Drummond Street, Carlton. The Australian Film Institute (AFI) was appointed to act in an administrative capacity and appointed three staff: a director and two staff members.

The primary objective of the Centre was to provide a community-based video access facility. Despite extremely limited funding, in its two years of operation the Centre had a prodigious output of 70 black and white videos.

Tensions which emerged between the director and staff culminated in the director sacking the two staff members. A key source of those tensions were the issues of internal work organisation and the extent to which the Centre fulfilled its role in the community.

In response to the sackings, in 1975 some 120 users of the Centre formed the Video Access Collective. Following negotiations and public meetings between the Collective and the Film and T.V. Board of the Australia Council, a three-person Committee was set up to hold an Inquiry into the administration and operations of the Centre.

The task of the Inquiry was to act as arbitrator between the Collective on the one hand, which argued for a more democratic structure, and the Director on the other, who argued to maintain the status quo. The outcome was determined in favour of the Collective and resulted in the assets and control of the Centre being transferred to the newly-established 'Melbourne Access Video and Media Co-operative' (MAVAM) in 1976. It was not until 1978 that MAVAM became the Open Channel Co-operative (although MAVAM had used 'Open Channel' as its trading name since 1976).

The objectives of Open Channel continued the early function of the Video Access Centre in providing a point of community access to media and distribution facilities. This service provision was based on an interest and commitment to developing more democratic access to and use of the media in general.

1.2 The Public Television Debate

The seeds for expanding public broadcasting into the area of television were sown when SBS (Special Broadcasting Service) was established in 1976. It was within the context of increasing interest in the scope and potential of public television that Open Channel was established. Within Open Channel, the People's Action for Community Television (PACT) Committee was established as a Committee of the Board to specifically address the potential for Open Channel to become a public broadcasting station. The Committee comprised Open Channel Board, Staff and Co-operative members, as well as interested community and professional people. The work of PACT and the possibility of being granted a public broadcasting license were to play a major role in reorienting the activities of Open Channel. The public licensing debate injected a new direction into an organisation which until then had been predominantly concerned with providing community access to basic video equipment.

At the same time, a company known as Open Channel Productions (OCP) was established. This was a subsidiary of Open Channel which could tender for commercial work. It was intended that its activities would cross subsidise the more traditional role of Open Channel.

The establishment of both PACT and OCP combined to compound the pressures to influence the role and market base of Open Channel. Tension between developing a more technically-sophisticated service with its implications for expenditure and commercial viability vied for scarce resources with the traditional role of providing community access to basic video equipment. This conflict of priorities was to underlie many of the

ongoing debates within the organisation. Although the prospects for Open Channel to obtain a public broadcasting license have since receded, the expenditure program undertaken to upgrade technical equipment and facilities continues to have implications for the market and services provided by Open Channel today.

2. ORGANISATIONAL STRUCTURE

2.1 Opting for Co-operation

Following the Inquiry into the Video Access Centre (VAC) conducted by the Australian Film Institute (AFI), the Collective which was to become the Open Channel Co-operative embraced the principles of democracy. Their criteria for selecting an organisational structure included the following, they wanted :

- a structure which would be responsible and accountable to its members ;
- a structure which ensured democratic rights for members and for staff. The right of one member/one vote was seen as one means of exercising that right ;
- a structure which was non-profit by nature and in which any surplus would feed back into the organisation.

These remained general principles until 1978, when the Co-operation Act was specifically adapted to meet the circumstances and requirements of Open Channel. These were then approved by the Registrar of Co-operatives.

The impetus to move towards a more formal organisational structure occurred in a context of expanding membership and an expectation that Open Channel could be granted a public television broadcasting license.

2.2 The Players

While a general commitment to democratic principles has always underpinned the structure of Open Channel, the practical application of those principles has presented a major challenge for the organisation. There are three main groups within the organisational structure: the members, the board of directors and the staff. The

various powers and processes of interaction between these groups reflects the way Open Channel has interpreted what a 'democratic' enterprise looks like in practice.

2.2.1 The Members

Composition:

Until recently, there were two categories of membership: shareholders and subscribers.

Shareholder members are now required to purchase a minimum of 10, \$10 shares paid up to 10%. This represents an increase in minimum shareholding which was initially one share paid up to the value of \$2. In addition, an annual fee of \$24 (reduced from \$30 in 1984) is charged. Like the former class of members, shareholding members receive 'Open Line' (which replaced 'Access Video'). They also have the right to one vote each and can nominate for a position on the board of directors.

The other category was subscriber membership. The cost of membership was \$30 per annum and was open to any individual. It entitled the member to discounts on video equipment hire and to receive the 'Access Video' publication. This type of membership did not allow subscriber members to hold voting rights. It was designed for people who wanted access to equipment but who were not particularly interested in the way the organisation operated beyond its provision of access to equipment, or in the broader issues related to democratising the media. High staff turnover and lack of continuity in record-keeping has meant that present staff had not been aware of this membership category. Open Channel's membership of around 200 now fall into the 'shareholder' category.

Role:

The General Meeting is the major forum for broadly based membership participation. Each member has the right to one vote. General Meetings in the early life of the Co-operative were held on a monthly basis. They are now held quarterly. The General Meeting has the right to:

- amend the Co-operative's rules ;
- decide Co-operative policy ;
- receive and approve operational budgets ;
- receive and approve staff, board and committee reports. (1)

2.2.2 The Board

Composition:

Apart from the right to attend regular general meetings, the main mechanism for member involvement is through their elected representatives who form the Board of Directors. There are seven directors and any member is eligible to be nominated by two co-operative members. Elections are held for all positions on an annual basis (the Annual General Meeting) and board members can be re-elected. Past practice has allowed for the Chair to be rotated at each General Meeting and for the Annual General Meeting to elect the Chairperson. Present practice, however, adopted by Open Channel is that the Board elects its own Chair and may, when a position on the Board falls vacant, co-opt a person to fill it.* Where particular expertise is sought, a non Co-operative member can be co-opted by the Board on condition of their becoming a member.

* Resolution passed at General Meeting 26/9/1983.

(1) From the Open Channel Handbook, 1979.

The adoption of a co-operative structure raises the issue of staff membership of, and/or representation on the Board. The Co-operation Act provides for not more than one staff member to hold a position on the Board, although this is not strictly enforced. The composition of the Open Channel Board has included as many as three staff members. Until 1981, Staff Board members were elected by the whole membership, in the same way as any other Board member was elected. There was, therefore, no necessity that these staff members should be responsible and accountable to other staff members. By 1983 this had changed so that while not precluding the right of any staff member to stand for election to the Board, at least one position is now reserved for a staff endorsed representative.⁽¹⁾ Given the central role played by the administrator, provision is made for this person to be granted ex-officio status to allow the staff to nominate someone other than the administrator as their representative.

At present, there is only one staff member on the Board. This person is also the staff-nominated union representative.

Role:

The Board meets formally at least once a month. Its duties and powers are to determine policy and orientation of the Co-operative, as well as manage and control the business and operations of the Co-operative.

2.2.3 Staff

Early staffing arrangements reflected the precarious financial state of Open Channel. Apart from a skeleton of 4 full-time positions, staff were engaged on a part-time, twelve month contract basis. There was no compulsion for staff to be co-operative or trade union members, although co-operative members would be given preference over non-members. The co-operative also relied on casual relief workers and volunteers.

(1) Open Channel Rule No. 22 states: "There shall be a Board of seven directors, one of whom shall be elected by the Staff as the worker representative". Passed at AGM - September, 1983.

As the Co-operative's financial situation has improved, there has been a shift towards employing staff on a permanent, full-time basis, although some freelance staff are still employed. Open Channel tends to have a higher proportion of permanent staff than is typical of the industry reflecting its broader activities associated with the administrative requirements of providing a community access video facility. The structure of Open Channel as a Co-operative and the concomitant responsibilities of informing and involving members adds further to the administrative requirements.

Current staffing levels include 13 full-time staff and 1 part-time (freelance). Staff are required to become co-operative members within three months of appointment. There are exceptions to this requirement which apply to the appointment of freelance labour to perform a specific task. Preference to co-operative member job applicants is given wherever possible.

Unlike many other community-based co-operatives, Open Channel does not continue to draw on volunteer labour. This partly reflects the highly specialised nature of much of the work for which few volunteers would be qualified, but, more importantly, reflects a strongly held ideological position that staff should be paid for their effort. In some cases, members may do some work at Open Channel but where this is not paid in cash, it is used as credits against use of facilities.

Role:

Staff are responsible for the day-to-day operations and management of the centre. They have the power to make the necessary short-term decisions in the course of their work, but these remain subject to the Board's power of veto. For a more extensive discussion of the role of staff in the overall decision-making processes, see Section 3. Internal staff decision-making processes and work organisation are discussed in Section 4.

2.2.4 Summary

The role, responsibilities and relationship of staff to the Board and, more generally, to the members has often been unclear. To some extent, the concept of worker 'democracy' including the right of staff to determine and control their own operations, runs contrary to the role of the Board and the members in determining the policy and operations of Open Channel. The structural and operational changes that have developed over the life of the Co-operative largely reflect efforts to resolve the tension of what is meant by 'democracy' for the members and 'democracy' for the staff. The following section outlines those structural and operational developments. Section four goes on to describe the internal staff arrangements.

3. DECISION-MAKING IN PRACTICE*

3.1 The Role of Staff

The staff had considerable input into policy decisions in the early days of Open Channel, although this was more by default rather than by design. The Staffing Policy of 1978, allowed for equal voting rights at staff meetings which were to be held weekly. Areas for staff consideration which affected the policy and general orientation of Open Channel included :

- allocation and use of Co-operative resources ;
- budget expenditure and control ;
- liaison with other organisations ;
- public relations.

Minutes of staff meetings were to be made available to co-operative members. The mechanism through which staff communicated with and were to be accountable to members was the monthly general meeting. The other channel for staff-member contact, apart from ad hoc visits to the centre, was through a quarterly publication, 'Access Video'. This was produced in conjunction with a Sydney-based Video Access Centre. The magazine was geared mainly to providing information about the state of the industry and technological developments. There were, therefore, few opportunities to address some of the internal structural issues which arose. Since 1981, this has been replaced by a quarterly newsletter, 'Open Line' which concerns itself specifically with issues related to the Co-operative.

3.2 Some Early Problems and Responses

The Board, which included three Staff members, met on a monthly basis. General Meetings were also held monthly. At these meetings the Board presented its

* This section refers to general decisions of Open Channel policy and orientation. Day-to-day operational decisions are considered in Section Four on Internal Staff Arrangements.

views which were generally accepted with little discussion or debate. Membership involvement was so limited "that it was often difficult to get a quorum". (2)

3.3 Involving the Members

A despondent membership meant that in 1978, when the possibility of obtaining a public T.V. license seemed realistic, some of the more enthusiastic co-operative members established a separate committee to promote the public television debate in general, and to investigate the feasibility of Open Channel operating as a public television station. The establishment of PACT (People's Action for Community Television) generated renewed interest in the co-operative reflected in increasing membership and member interest. Although the membership was expanding, there was no parallel development of communication channels to inform and involve them. The Board was seen as largely ineffective leaving the staff as the defacto decision-makers. The mounting volume of work falling on the staff allowed little time or effort for adequate preparation of reports to General Meetings.

A number of steps were taken to address these problems:

3.4 Director Portfolios:

In 1979, each director was allocated a portfolio for which s/he would act as a contact/resource for members interested in following up a particular area. Portfolios covered:

- technical education, training and workshops ;
- technical resources ;
- Open Channel productions ;
- public relations and publications ;

(2) Interview with former member.

- PACT (People's Action for Community Television) ;
- financial development
- constitutional development.

The level of interest and involvement of the directors in these issues reflected their own personal interests. In some cases, committees related to the area covered by the portfolio also existed, but it was not always the case that the appropriate director was closely involved. Although directors continued to be responsible for particular areas for some time, the concept of portfolios was generally recognised as an ineffective means of focussing involvement and debate. An extension of the allocation of portfolios to include specific staff members failed to substantially improve the system. Although the specific allocation of portfolios is no longer a practice in Open Channel today, directors are closely involved in the formal committee system which currently operates. (See Section 4.2).

3.5 Joint Board/Staff Meetings

In the early years of Open Channel, staff and Board members met from time to time on an ad hoc basis. These meetings were later formalised in 1984 to be held on a six-monthly basis.

The impetus for joint meetings was to rationalise and integrate what were perceived as two distinct decision-making areas. These were the short-term decisions which were the prerogative of the staff, and the long-term decisions on policy and orientation which were the responsibility of the Board. In practice, of course, it was impossible to distinguish these. In some cases, the same issues were being debated and decided on by both the staff and the Board at separate meetings. Even where decisions were taken on separate issues, they often had overflowing implications.

At its most recent Joint Board/Staff Meeting, (17/11/84), it was noted that: "General Meetings will continue to be quite inadequate for on-going policy work. Board/Staff meetings with invited members should be held twice yearly and should function as important policy development forums. It was also generally agreed that these meetings be held away from Open Channel premises."

Neither of these initiatives effectively addressed the lack of avenues for member involvement. Members who had maintained an interest and commitment to Open Channel had tended to focus their involvement in the PACT Campaign. The prospect of establishing a public T.V. station and the anticipation of a vastly expanded membership which would need to encompass both individuals and groups made it even more pressing to devise more effective channels of member involvement and communication. This and other issues that would need to be examined in the event of Open Channel being successful in obtaining a public T.V. license, became the subject of a report.

3.6 Structural Change Report - 1981

At the time the brief of the Structural Change Working Party (SCWP) was prepared, the objectives of the organisation had been refined and included :

- . acquiring a metropolitan public television license in Melbourne ;
- . providing an environment to stimulate innovative and socially relevant television programme productions ;
- . minimising the co-operative's reliance on government support.
- . providing an adequate colour video resource for videomakers, filmmakers, artists and community organisations in Melbourne ;

The Working Party was to investigate :

- . alternative legal forms ;
- . membership criteria and involvement ;
- . staffing policy ;

- . information systems ;
- . decision-making structure ;
- . the Board ;
- . operational areas and structure.

Legal Structure:

In its investigation of legal forms, the Structural Change Working Party outlined the options of partnership, proprietary (private) company, company limited by guarantee, and Co-operative. As the decision was made to continue to operate as a Co-operative, it is relevant to consider the characteristics of a co-operative as perceived by the Working Party.

Co-operatives, as defined in the co-operative principles, are a democratic form of business organisation. The profits of the organisation belong to those who created them, rather than to the providers of capital.

The limit on shareholding by any one member to 20% protects the organisation from the control of only a few individuals or groups. The Co-operative can prescribe the minimum and/or maximum holdings per person within this limit. The principle of one person, one vote provides further protection of democratic rights and mitigates against domination by particular individuals.

Four other specific advantages of this type of organisation were considered to be :

- public credibility. As co-operative societies tend to be regarded as organisations kept accountable by registering requirements, annual audits and regular inspections ;
- low cost of establishment ;
- preferential treatment for taxation purposes ;

- a less complicated legal structure. By contrast, to the Companies Act 1961, the Co-operation Act of 1958 is much less complicated and has much more straight-forward statutory requirements. *

Apart from a consideration of alternative legal forms the report examines the implications of pursuing a democratic organisation and considers what changes may be appropriate to existing practices. The document produced by the SCWP is attached in Appendix 2. This section highlights the problems identified by the Working Party and its recommendations.

Making Decision-Making more Democratic:

In an effort to expand the involvement of members who may not feel comfortable with the formal decision-making process, Open Channel began to experiment with informal meetings using brainstorming and a rolling discussion of ideas. The Working Party noted that the potential for these informal discussions to influence decisions would depend on the willingness of staff to act on issues, questions and suggestions made. The Working Party also noted that the shift from monthly to quarterly General Meetings would require a change in the information provided. Information provided by staff to General Meetings and the Board was generally thought to be inadequate and, therefore, limited the potential for informed member involvement.

The quarterly magazine 'Access Video' had been suspended in late 1980, due to the collapse of the Sydney-based co-producer of the magazine. It was envisaged by the Working Party that a new newsletter, 'Open Line' be produced on a quarterly basis to include quarterly agendas and papers for General Meetings, and that it would provide an ideal vehicle for information exchange between the Board, staff and members. (3)

* Summary from the Structural Change Report.

(3) First Report of Structural Change Working Party, 4/12/80.

The Board:

The report found that the Board had played an ineffective and often, inactive role. A decision that Board members should be more active had made some impact, but the failure of staff to keep Board members informed of policy options and consequences was cited as a factor limiting the Board's effectiveness. The report advised that the system of portfolio allocation to Directors should continue but that it must be "more than just a rhetorical assertion".^(4)

Regarding the composition of the Board, the SCWP found that Board membership was weighted towards "ideologues, theoreticians, representatives and the interested".^(5) This left a gap in managerial expertise and knowledge which needed to be filled. The report advised that the Co-operative could benefit by recruiting new Board members from beyond the Co-operative membership. It was also suggested that the skills of the existing Board members could be upgraded by arranging management workshops to be run by the Co-operative itself or by the Co-operation Federation of Victoria.

Staff membership of the Board:

The issue of whether staff should be eligible for election to the Board was discussed. The report raised the following practical questions related to the dual status of staff and Board member:

"Should the Administrator of the co-operative be a member of the Board or, instead, attend Board meetings? Should the staff on the Board accept positions as Chairman and/or Secretary of the Board? Should the staff elect staff

(4) Structural Change Report - 1981

(5) Ibid

representatives on the Board rather than the membership? Should staff members of the Board be rotated and, if yes, on what basis? How should staff representatives on the Board be accountable to other staff?

Other questions that should be considered include: Should the positions of Chairman and Secretary of the Board be rotated and, if so, on what basis? Should there be limited tenure on Board membership? Should there be limited tenure on officer positions?". (6)

Membership and Member Equity:

The report recommended an increase in the minimum level of shareholding to ten \$10 shares paid up to the legislative 10% minimum. This meant an effective increase from \$2 to \$10. It was assumed that a possible \$100 equity level would encourage a more careful consideration of the responsibility and consequences of joining. The increased level of member equity would also provide the capacity to raise loans on the uncalled capital of the Co-operative. This could be particularly relevant to securing a government-guaranteed loan.

The government will lend up to 80% of the uncalled capital providing assets to the amount of the loan are available.

The implications of this change, which was accepted required that members be made aware that they have a potential \$90 liability to the Co-operative. They should also understand that it is very unlikely that any surplus generated will be sufficient to warrant investment on a speculative basis. Members are, therefore, only likely to invest in the Co-operative for reasons other than monetary gain.

The Staff:

The three main issues addressed by the Working Party with regard to staff were co-operative membership, union membership and industrial democracy.

Co-operative Membership:

Not all staff had chosen to join the co-operative and membership was not compulsory, presumably because it was assumed that the services of skilled employees were more important than their co-operative membership. The report recommended, however, that staff should be required to join the Co-operative within three months of appointment. While recognising that obligatory membership would not automatically instill an understanding or commitment to co-operative theory and practice, it at least provided a useful start. This recommendation has since been accepted.

Trade Union Membership:

Even more controversial than compulsory co-operative membership is compulsory union membership. The Working Party recommended that union membership should be compulsory for all staff on the grounds that it was naive to assert that co-operatives transcend unionism. It also argued that if they were to be successful in their campaign for a community television station, they would need the support rather than opposition of unions. Compulsory trade union membership continues to be debated in Open Channel today. While union membership is 'encouraged', it is not mandatory.*

Formal Mechanisms for Industrial Democracy:

The Working Party considered how effective worker representation on the Board was as a mechanism for industrial democracy. It noted that worker representation

* Presently, eight of the 12 staff members are unionised.

would only work provided that staff have clear channels of access to make their views known to the representative(s), that the representative(s) were prepared and able to present those views at Board meetings and to report back and be accountable to staff.

The report urged for more detailed consideration and clarification of what a commitment to industrial democracy meant in practice.

The report also made the following recommendations relating to staffing arrangements :

1. Staff will be employed on a contract basis varying in length from three months to three years ;
2. Producers will generally be employed on a short-term basis both from the industry and the pool of local independent and freelance producers ;
3. Administrative and technical staff will generally be employed on long-term contracts ;
4. Salaries will be determined on the basis of relevant union awards where available or by a process of negotiation at staff meetings where there is no industry award - subject to the approval of the Board ;
5. Staff would meet regularly as a whole and as working groups ;
6. Staff could constitute their own programming unit ;
7. Staff would have a delegate to the Programming/Scheduling committee ;
8. Staff would have a delegated observer at Board meetings ;
9. Staff would be able to stop programme making and programmes that contradicted overall policy or were technically inferior ;

10. The co-operative would investigate staff exchange and secondment arrangements with other broadcasting sectors.

Not all of the report's recommendations were finally accepted. The Report did, however, serve to identify and outline some of the critical issues related to the outworking of democratic theory. As such, it served to crystallise debates and influence the shape of structural and organisational practices which characterise Open Channel today.

3.7 The Constitutional Review Committee - 1983

Another report which has influenced present arrangements within Open Channel, was one prepared by the Constitutional Review Committee in 1983.* This was a sub-committee comprised of two board, two staff and two member representatives. The Committee aimed "to determine factors giving rise to irregularities and anomalies in Open Channel's existing structure and function".⁽⁷⁾ The majority of changes recommended are reversions to the original Co-operative Act Model Rules and referred to the composition of the Board and the role of the Chair. All of the proposed recommendations were carried at a General Meeting on 26/9/1983. Of particular interest is the resolution of the right of the Staff members, other than the nominated representative, to hold positions on the Board. This report recommended a reversion to the provisions of the Co-Operation Act which limits staff representation on the Board to one. It was further recommended and accepted that the staff representative should not be eligible to hold the position of Chairperson.

The following table sets out the main structural and operational provisions and where information has been available, indicates the nature and timing of changes.

* See Appendix 3

(7) Constitution Review Committee Report, 1983.

CHANGE	PAST	PRESENT
General Meetings	Monthly	Quarterly
Staff Meetings	Spasmodic	Monthly or as required
Informal member meetings	None	As required
Board Election	Annual for 12 months at AGM	Annual for 12 months at AGM
Information availability	Access Video Ad hoc report availability	Open Line Monthly summary of Board meetings Quarterly agendas and papers for General Meetings
Shareholding minimum	One \$2 share fully paid up	Ten \$10 shares paid up to \$10
Referendums	No provision	On request by two-thirds of membership
Staff Tenure	12 month contract	Permanent, full and part-time, or contract as required
Meeting Quorum: Board	Four	Four
General Meetings	Four	Seven
Board Membership	Three staff illegal	One staff nominated representative
Membership Application	General Meeting	Approval by Board; ratified by General Meeting
Membership Expulsion	General Meeting	General Meeting
Staff co-operative membership	Optional but encouraged to join	Obligatory within three months
Staff union membership	Optional	Optional
Election of Chairperson	By majority of Annual General Meeting	Elected by majority of Board
Committee Meetings	Spasmodic	As required
Board Meetings	Monthly	Monthly
Joint Board/Staff meetings	Spasmodic	six-monthly

4. STAFF

"The staff function as a working collective within the organisation and meet weekly in democratic meetings. Since its inception the Co-operative has recognised the importance of encouraging and developing participative (as opposed to hierarchic) staffing structures and has pursued a policy of a balance of 'worker control' with 'community control'. This is reflected on the Board of the Co-operative which has always contained members of staff." (8)

In 1978, staff drew up a Staffing Policy which was accepted by the General Meeting. (See Appendix 4). Included in this policy was a provision that staff were to hold weekly meetings at which each member had equal rights. Decisions were to be made preferably by consensus but where this was not possible, each staff member would have one vote. The policy also outlined the areas of decision-making that these meetings had jurisdiction over:

- i) allocation and use of Co-operative resources ;
- ii) budget expenditure and control ;
- iii) liaison with other organisations (particularly funding bodies) ;
- iv) public relations ;
- v) determination and allocation of staff members' responsibilities ;
- vi) review of staff members' performance ;
- vii) engaging and dismissing staff as defined in Items 2 and 4 of the Staffing Policy (See Appendix 4)
- viii) to engage consultants.

Decisions remained subject to the overriding right of the General Meeting and were to be informed by Co-operative policy or established precedent. Staff reports were to be presented at each General Meeting.

4.1 Internal Pressures

A high profile in the public television debate translated into a heavier workload for staff. At around the same time as the PACT campaign was getting underway, the commercial arm of Open Channel, OCP, was set up as a separate incorporated company. This had its own separate Board of directors nominated by the Open Channel Board. It shared the scarce staff and resources of Open Channel (for which it was billed at commercial rates). The other pressure on staff was that as members came to see the Board increasingly as a rubber stamp on staff decisions, they tended to take complaints direct to staff. A recognition of the central role played by staff led to a review of the practice of delegating areas of responsibility to each director which was expanded to include staff. (9)

While the potential for broader member involvement in the co-operative depended largely on staff keeping both the board and members informed, this added further to an already heavy workload and was often low on the priority list.

4.2 The Internal Decision-Making Process

The mounting workload and a high rate of staff turnover was reflected in a growing discrepancy between the theory and practice of staff decision-making.* Weekly staff meetings, which were altered to fortnightly in 1983, were in fact held on an ad hoc basis. In an effort to overcome the problem of squeezing staff meetings into an already overcrowded work schedule, they were often held outside work hours, however, this proved to be an ineffective compromise as it resulted in low rates

(9) Joint Board/Staff Meeting 18.11.1980

* See Appendix 7 for details of Staff Turnover

of attendance. The Structural Change Report, 1981, commented on the lack of effective communication between staff and board members, as well as between staff and the broader membership.

Internal staff co-ordination and decision-making processes continued on an ad hoc basis throughout 1982 and 1983. During this period, a number of short-term appointments were made to fill the position of General Manager. This period was also marked by one of the highest levels of staff turnover as well as a high rate of Board membership turnover. This period was undoubtedly a difficult one for Open Channel. A series of cost-cutting measures in response to the poor financial situation of the Co-operative and the absence of effective direction from the Board, set the scene for growing staff and member dissatisfaction. These conditions further compounded the problems of poor communication, unclear decision-making procedures and a lack of organisation cohesiveness.

In June 1983, the present General Manager was appointed. One of his first tasks was to more effectively co-ordinate internal procedures. Apart from the irregular nature of staff meetings, they were also inadequate as a forum for discussing problems or views about specific issues which may only concern a sub-group of the staff. In response to these problems, a number of sub-committees have been established which are directly responsible to the Board. These include:

Committee of the Board:

The Program Development Committee which comprises relevant staff, General Manager and membership representation. Its role is to assess applications for subsidised use of Open Channel's facilities.

Committees of the Staff:

The Marketing Committee which comprises staff members and makes recommendations to the Board on matters of publicity ;

The Health and Safety Committee which is hoping to have membership representation, but which at present comprises staff members only. It has the power to make recommendations to the Board ;

The Equipment Committee which discusses and makes recommendations on equipment purchase to the Board. Membership comprises relevant staff and a member of the Board ;

The Staffing Committee whose role is to recommend to the Board Staffing Agreements, wages and conditions, etc. and to co-ordinate all staff appointments and to which all staff are to address claims and queries. This comprises two staff members plus the staff-elected Board representative, the General Manager as well as one other Board member.

All these committees meet as required and make recommendations to the Board, with the exception of the Program Development Committee which has the power to make its own decisions. An important development which distinguishes this committee system from the previous committees that have existed from time to time, is the formalisation and circulation of minutes. It was noted, however, that the sub-committees rely heavily on the Administrator and the General Manager to take minutes. On sub-committees where this is not the case, minutes still tend to be fairly minimal. The importance of a comprehensive set of minutes as a reference point for the organisation has been highlighted in the preparation of this report. In some cases, the current staff were not aware of decisions that had been made in the past as these were recorded and kept on a very ad hoc basis.

In addition to area-specific committees, there is a full staff meeting which meets on a monthly basis. Its function is to co-ordinate day-to-day activities.

4.3 Staff Selection and Dismissal

Specific rights and responsibilities of the General Meeting, the Board and Staff relating to staff appointment and dismissal procedures are included in the Staffing Policy of August 15th, 1984.

The policy states:

Staff Selection:

All staff are to be selected by a panel nominated by the Staffing Committee. Actual appointments made by the Panel are to be ratified by the Staff and then the Board. Where special knowledge is necessary, an outside consultant may be added to the Panel. In exceptional circumstances, the Board may require direct consultation on the composition of the Panel. Preference is given to members of the Co-operative if suitably qualified. All new staff must agree to become co-operative members.

Counselling and Dismissal Procedure:

Staff will be counselled by the General Manager or relevant supervisor as to work performance. Where this is not satisfactory, the staff member should be provided with written suggestions for improvement. If the General Manager believes no improvement has been made, a written warning should be issued and where the staff member desires, a copy of the warning should be tabled at the next staff committee meeting. The staff member has the right to discuss the warning with the General Manager and may be accompanied by their union representative or a person of their own choice. Where the General Manager or the Staff Committee recommend dismissal (subject to the Board's ratification) the

Staff member can appeal to a Staff Meeting which will then report to the Board for a final decision; direct to the Board; or to a private arbitrator mutually acceptable to the staff member concerned, the Staff and the Board.

4.4 Work Organisation

The Role of Management:

The responsibilities of the management function can be considered under two headings: responsibility for ensuring internal cohesiveness and co-ordination, and responsibility for representing and liaising with external bodies on behalf of Open Channel.

With a high turnover in the position of General Manager throughout 1982/3, staff absorbed these functions to the best of their ability. However, poor internal co-ordination resulted in criticism by users that Open Channel was "an amateurish organisation". (10) The absence of someone responsible for maintaining a public profile on behalf of the organisation and promoting its strengths meant that Open Channel's reputation suffered.

The appointment of the present General Manager has assisted in better internal co-ordination which was extended and facilitated the scope for staff consultation. It has also addressed the gap that had developed in terms of Open Channel's links with other organisations.

Job Allocation:

The nature of the services provided by Open Channel is reflected in staff functions. Staff generally divide into permanents who work in administration, technical or equipment maintenance areas and one or two producers. The other category is technical and production freelance crew members engaged on a short-term or casual basis. In many cases, these people are drawn from the membership. Where this is not the case and their employment is related to a specific production, they are less likely than permanent staff to have a knowledge or interest in the broader issues of co-operation.

(10) Open Channel Business Plan, 1984, p. 20

To some extent, office functions are determined by technical staff. Efforts have, therefore, been made to ensure that office staff who have a high level of contact with users have a basic knowledge of the technical equipment. A Joint Board/Staff Meeting (17/11/1984) suggested that "all staff should be involved in some production work, particularly those involved primarily in administration". The intention of this proposal is to provide a grounding in basic technical knowledge for administration staff whose work is assisted by this, or in some cases, purely for personal interest. It is not intended to encourage administration staff to take on technical jobs. Where possible, some understanding of jobs within the technical and administration areas is also encouraged. 'Multi-skilling' in this case is a practical response to coping with situations where a staff member may be off work, rather than addressing issues of job satisfaction. The job differentiation at Open Channel reflects the highly specialised tasks involved. Comprehensive job descriptions have recently been ratified by the Board at its June meeting this year.

As is the case throughout the industry, technical jobs are dominated by males. Open Channel has no formal position on affirmative action, but has made efforts, where possible, to appoint and support women in these jobs so that at least one technical staff member has been female. (See Appendix 8 for male:female staff ratio).

4.5 Wages and Conditions

The policy of Open Channel is to pay staff at least award rates. However, as video production is a relatively new area, falling somewhere between television production and film production, there is no specific award covering this area. The A.T. and A.E.A. (Australian Theatrical and Amusement Employees' Association) is presently developing an award to cover both technical and administration workers. As private video production houses are unlikely to accept member unionisation without a battle, Open Channel may be the first video house to

recognise and enforce the award.

Present practice is that Open Channel's administration staff tend to be paid relatively well. This is a spin-off, in terms of maintaining relativities, from the high wages that can be commanded by technical staff. As these have increased in line with the going market rate, the wages of administration staff have been pulled up. It has not always been possible to maintain relativities and some anomalies have developed, but these are being gradually ironed out.

The issue of criteria to be applied in assessing the level of above-award payment is being addressed by staff who are presently drawing up a new staffing agreement. In initial discussions on possible criteria for determining over-award salary levels, it was agreed that the following points should be considered:

- parity with other organisations ;
- responsibility ;
- number of years service ;
- skills ;
- flexibility required in hours worked ;
- job market ;
- each position's worth to the organisation ;
- supervision of other staff ;
- overtime payments.

A number of these points are still being negotiated amongst the staff and the Agreement itself is being finalised in consultation with a representative of the A.T. & A.E.A., which is the relevant union for the T.V. industry.

A list of present staff positions can be found in Appendix 9.

4.6 Staff Attitudes to Unions

The issue of staff membership of a trade union has long been a contentious one for Open Channel. The campaign for public television raised the argument that in addition to industrial protection for individuals, that broader union support would be critical to such a campaign.

Later in 1981, the Structural Change Report advocated compulsory union membership. This was rejected, but it has since been agreed that "members will be encouraged to join the appropriate union".⁽¹¹⁾ Job applicants are informed at the interview stage that union membership is preferable. At the time of appointment, the Staff-union representative supplies a card to fill out which facilitates the deduction of union dues from the workers' salary, if desired.

The higher incidence of transition of technical workers between Open Channel and commercial industry makes it more likely that they will be unionised. As Open Channel technical staff often work alongside technicians in the commercial television industry, non-membership could cause industrial problems. Technical workers who may not automatically be unionised would be those who have been trained by, and worked only at Open Channel.

Another factor which may explain the traditionally low union membership of office staff is the assumption that a co-operative structure provides an adequate form for staff to resolve industrial problems internally. Until recently, many staff whether unionised or not, have had very little knowledge of, or contact with unions. This is gradually changing, however, with the present Staffing Agreement being developed in consultation with the A.T. & A.E.A.

(11) Staffing Policy, 15/8/1984. (See Appendix 5)

4.7 Attitudes towards Co-operatives

Co-operation with other Co-operatives:

In the early days, Open Channel was one of a number of newly developing independent video access organisations located throughout Australia. Its strongest links were with a Sydney-based co-operative. This involved sharing the production of "Access Video", which provided a forum for similar groups to communicate with others in the industry and became particularly important in airing the public television debate. The Sydney based co-operative has since collapsed.

Partly reflecting the small number of co-operatives established and relevant to the T.V. industry, Open Channel has no stated policy on co-operating with other co-operatives. Present staff indicated, however, that in cases where they are aware of the existence of a co-operative within the same or a related industry, they would consider their product/service, but would only source from them if the product was commercially competitive. The other possible contact with co-operatives would be as users of Open Channel's services. In this case, no special treatment is provided on the basis of organisational structure.

Contact with the Co-operative Development Program (CDP)

Open Channel's main contact with the CDP has been through application and receipt of funds in 1982-84.

One of these grants was provided specifically for the development of an education and training course. The course included a review of the co-operative structure of the organisation and how its operations matched up to co-operative principles as well as sessions on the range of tasks covered by office and technical workers. All workshops were open to staff and board members and the majority were open to members, however, few members took part. (See Appendix 10 for details).

The two main benefits of the course and contact with the CDP have been to develop a better understanding of the principles of co-operation and application of these. Although debate over aspects and interpretation of co-operation have been going on in Open Channel for some years, the high turnover of both members and staff requires continuing effort to ensure that people understand co-operative issues. Staff members attending courses who previously assumed a basic knowledge of co-operation were surprised to find that there were many aspects they had not previously been aware of.

Secondly, workshops provided specific instruction on administrative and accounting procedures. Once again, high turnover and inconsistent approaches to these tasks resulted in the ad hoc keeping of accounts and records. Irregular and inconsistent book-keeping practices are by no means characteristics specific to co-operatives. It is widely recognised that these tasks are often poorly addressed by small businesses in general.

The requirement that Co-operatives applying to the CDP for funding are to prepare a detailed business plan highlighted the gaps in the records of the organisation. Preparation of the business plan required a review of administrative procedures. It meant looking at the overall operations of Open Channel - its objectives, market and services, employment policies and financial projections.

While it was generally felt that contact with the CDP had been very beneficial in terms of developing both a theoretical and practical grasp of co-operative and business issues, there were some criticisms. These related mainly to the expectations of the CDP that Open Channel would fit into a fairly specific definition of a worker co-operative. Some felt that this definition was not sufficiently flexible to take account of the structure of Open Channel and its particular problems.

Another initial criticism related to the amount of documentation required. This presented some difficulties due to inconsistencies and lapses in book-keeping and recording practices. However, in retrospect this requirement proved beneficial as it provided the impetus to review and upgrade Open Channel's administrative procedures.

Open Channel no longer receives direct funding from the CDP. It was noted, however, that the co-operative courses run at Preston T.A.F.E. provide a useful grounding, particularly for new staff and co-operative members and that Open Channel could benefit from being able to send representatives to these.

5. MARKET AND SERVICES

Open Channel's market and services reflect decisions about its orientation and priorities. A major influence on these which has been discussed above, was the public T.V. campaign. Hopes of gaining a license saw the co-operative commit itself to a program of expenditure to upgrade some of its equipment to broadcast standard. The establishment of a community T.V. channel would also provide an important outlet or market for independent and community video makers. Although the granting of a license has not eventuated, the program of capitalisation undertaken has ongoing implications for market and services and for the issue of economic viability.

The gradual process of upgrading facilities and expertise has seen Open Channel make the transition from being a small, community video access centre to one which can more effectively compete in the mainstream, commercial market. This has meant an expansion in its customer base. Open Channel presently specialises in servicing the community and cultural needs which have generally been ignored elsewhere within the film and T.V. industry. There are three main types of service provided by Open Channel :

1. Production - Video is increasingly being used by community groups both for internal communication and training purposes, and to communicate with wider audiences. Open Channel is often approached by these organisations to produce programs for these purposes.
2. Facilities Hire - All facilities of Open Channel are available for hire with list prices generally being at the 'lower end' of the market. Members receive a 10% discount on list prices for lo-band facilities. All AFC Development Grant Branch funded projects receive a 25% discount on all hire facilities.

As part of Open Channel's role is to provide subsidised access to facilities to community groups and individuals, the following criteria are applied to determine eligibility and level of subsidy :

- it is of value to the community ;
- it is of value to film and video culture ;
- it encourages the use of video ;
- it encourages the use of film or video skills amongst individuals.

3. Training - In the early days, Open Channel provided basic training workshops on the use of black and white and colour portapak. Today Open Channel provides the only comprehensive video training program in Melbourne. They also assist in providing workplace-based trainee schemes. At an informal level, Open Channel staff provide advice and assistance to program makers and to groups using their own equipment. Apart from providing a range of workshop programs on video equipment use and production skills, Open Channel also organises one-off training sessions tailored to the specific needs of a particular group.

Distribution:

As yet, the possibilities for Open Channel to operate as a distributing agent for community and independent film and video makers remains to be fully explored. Hopes that such an outlet could be provided by the establishment of a community T.V. station are no longer a realistic short-term option. This has called for a reappraisal of Open Channel's role in distribution.

A key issue in Open Channel's development has been on the one hand, the extent to which it should provide community access at subsidised rates, and on the other, the implications of this for attracting the commercial work which is necessary to some extent to subsidise community access. The issue is taken up in the following section which looks at the area of finance and economic viability.

6. FINANCE AND ECONOMIC VIABILITY

In 1977, Open Channel devised a plan for reaching economic self-sufficiency over a 3-year period.

"The financial development of the Co-operative is based on the following principles:

- a) that limited commercial hire and production subsidise the non-profit making sphere of the Co-operative's activities (for example, income from a production for a government department subsidises the hire of video equipment by an independent video artist).
- b) that the Co-operative will be financially independent by the end of the fiscal year 1980."

(Open Channel, Annual Report, 1977/78)

This plan was submitted to the AFC who was the sole funding body and continue to be the major provider of funds to Open Channel. The drive towards economic self-sufficiency was not only because of the independence it would afford the organisation, but was also influenced by the impression that the AFC would be more inclined to provide funds to those organisations with the potential to become economically self-sufficient.

Briefly, the plan proposed to the AFC involved Open Channel matching AFC grant funds on a \$1 for \$2 basis in the first year, scaling down to \$1 earnt income to every \$1 subsidy in the 2nd and 3rd years, and phasing out funding altogether thereafter.

By June 1980, progress towards self-sufficiency had fallen dramatically behind target. The surplus of \$219,781 the year before had become a deficit by June 1980 to the value of \$105,450. Contributing factors included over-optimistic expectations of support from commercial stations for independent program production, problems with new equipment including late arrival and technical set-backs, a lack of, or at least slow

developing, industry acceptance of a new facility and the slower than expected establishment of the Independent and Multicultural Broadcasting Corporation from which Open Channel was anticipating work.

The next financial year (1980/1) brought slightly improved financial prospects with Open Channel recording a modest surplus of \$32,435 in June 1981. This had been achieved at the expense of job redeployment and staff ceilings. Areas of publicity and distribution were neglected and Open Channel cut funding for the National Community Television campaign which was picked up by the Public Broadcasting Association of Australia. In its submission to the AFC, it reaffirmed its commitment to financial independence as one of four major objectives. These were stated as being :

1. To provide an environment to stimulate the production of creative and socially relevant television ;
2. To acquire and operate a Public Television license in Melbourne ;
3. To provide an adequate colour video resource for video makers, filmmakers, artists and community organisations in Melbourne ;
4. To minimise the Co-operative's reliance on government support.

The financial year 1982/3 saw another difficult time for Open Channel's finances. This was the second consecutive year for which a loss was recorded. In 1982, the (after depreciation) deficit was \$26,909. By June 1983, the loss had increased to \$67,865. This led to the imposition of tight expenditure control and staff ceilings. Since then Open Channel's financial position has improved with a surplus in June 1984 of \$28,869. The Co-operative is continuing to gradually upgrade its capital base.

6.1 OCP (Open Channel Productions)

In 1978, Open Channel Productions was consolidated to become an autonomous, non-profit company limited by guarantee. The company had its own Board of Directors appointed by the Co-operative's Board of Directors and included some Open Channel staff members. It hired facilities and staff time from Open Channel at commercial rates. It was intended that commercial hire and production would subsidise the non-profit sphere of the Co-operative's activities.

In the early years of its operation, OCP remained quite distinct from Open Channel's operations, and served separate markets. While Open Channel tended to train, assist or produce videos for community groups and individuals primarily for closed circuit viewing, OCP was headed towards broadcast standard productions. In practice, however, both groups were vying for scarce resources and staff time. OCP also came in for criticism from the commercial sector as it was making use of the resources of Open Channel - a government-funded body, but competed in the commercial market.

Attitudes within the Co-operative towards OCP were mixed. On the one hand, some members were optimistic about its potential to raise a surplus that could cross subsidise Open Channel's non-profit activities. On the other, some members resented OCP as they felt the original objectives of providing a community access video facility were being compromised as emphasis and resources were put into commercial productions. This resentment grew as the reverse of what was anticipated occurred. OCP was substantially in debt to Open Channel. A Joint Board/Staff meeting on the 18/11/1980 resolved that the financial administration of OCP be taken over by Open Channel until such time as the debt was repaid or six months had elapsed.

The dual operation of OCP and Open Channel as two discreet organisations had created competing factions which was generally destructive to Open Channel. This problem has since been overcome by the Board of OCP agreeing that it should be managed by the Open Channel Board. This effectively means that although OCP continues to exist, it has no life as a separate entity, but rather provides Open Channel with a shell company which is used for accepting larger, mainstream production contracts.

6.2 Implications of Being a 'Non-Profit' Organisation

Like any other business enterprise, the scope for a co-operative to develop democratic procedures is constrained by economic realities. At an Industrial Democracy Seminar held in Melbourne in August, 1984, Bill Kelty, ACTU Secretary, raised this issue as it relates to all enterprises:

"all organisations have clients, they have markets, they must respond to those clients and they must respond effectively. Organisations therefore, cannot and should not, in our view, simply exist for and on behalf of employees. Industrial Democracy cannot be seen as something which denies the role of organisations to fulfill their services to the community."

The issue of how Open Channel should respond to the market is further complicated by its dual role. Enterprises which exist in and service the commercial sector have a clear indicator of their success or failure which can be measured in terms of economic viability. For Open Channel, this definition is not as applicable:

"Open Channel's objective is to minimise our reliance on Government support. This objective is interpreted as being a desire to continually broaden our financial base. Economic viability, in a commercial or trading sense, is not an aim, and would directly contradict the manner in which we attempt to make available our resources and services. Open Channel exists in order to

service and be involved in a wide range of cultural activities. The very nature of most of these services and activities is dependent on a level of subsidy such that their operation is not determined according to market place criteria."

(p. 19 - Submission to AFC, February 1984)

The absence of a clear yardstick for measuring the extent to which Open Channel is effectively responding to its market has, at times, made it difficult for Open Channel to assess its non-profit activities. This has meant that economic imperatives could easily shift emphasis in favour of more commercial and therefore 'measurable' activities.

In the process of compiling its Business Plan for 1984, the issue of measuring the cost of training workshops was specifically raised. The recently-adopted accounting system makes it possible to identify the extent to which workshop and training programs are subsidised. An ability to effectively measure the costs of these non-profit activities is essential in determining a clear set of priorities and their implications.

A second aspect of being a non-profit enterprise is the response and interpretation applied by funding bodies. Up until the 1983-84 funding year, the AFC, Open Channel's main source of funding, did not allow for depreciation on equipment. In its 1984 application to the AFC, Open Channel states that "the long-term development of Open Channel's facilities base is dependent not only on budgeting for depreciation, but in fact budgeting for a trading surplus such that capital reinvestment is possible."

While the AFC has since changed its position on allowing for depreciation, it does however raise the issue of the attitude of funding bodies which may in fact provide an incentive for 'non-profit' organisations to avoid recording a surplus.

While Open Channel continues to endorse economic independence as an objective, its high levels of capital expenditure mean that at least in the short-term, it will remain dependent on funding.

SCHEDULE 4

CO-OPERATIVE CASE STUDIES

1. **PURPOSE**

The Case Study will seek to provide an invaluable, theoretical and practical resource for Co-operative education and training courses and for individuals interested in the possibilities of establishing and developing Co-operatives.

2. **DESCRIPTION**

Each profile will examine, inter alia:

- (a) How the Co-operative was initiated, by whom and why.
- (b) What the objectives were and whether or not these have changed since the Co-operative was established.
- (c) The prerogative of the Co-operative in attaining economic viability.
- (d) The Co-operative's experience of decision making: who makes what decisions, how, when and why.
- (e) The extent and experience of industrial democracy.
- (f) How the Co-operative has addressed and met Co-operative education and training needs.
- (g) The relationship with trade unions, the policy towards trade unions and the unionisation of the workforce.
- (h) The equity policy and the basis of the policy.
- (i) The industrial relations record and policy including the issues of wages, occupational health and safety, equal opportunity and dismissals.
- (j) The contact and involvement with the registry and the benefits or otherwise of Co-operative Registration.
- (k) The contact and involvement with the Ministry of Employment and Training and the benefits or otherwise of the Co-operative Development Program.

These issues would be addressed in historical context.

3. **PREPARATION**

The Co-operative will organise preparation of the Case Study, in consultation with the Ministry of Employment and Training.

Negotiation with the Ministry of Employment and Training is required regarding the Co-operative's appointment of the Case Study author(s). An agreed consultant is to prepare the study and be paid the fee.

Prior to any appointment the Co-operative will need to establish with the Ministry the competence of the proposed author(s). The ability to survey, analyse and summarise information into an accurate and concise form is needed.

The Case Study would be prepared in consultation with the existing Co-operative Consultancy Services:

Ballarat CAE
Collingwood - Richmond - Fitzroy Credit
Co-operative
Preston TAFE

4. **COPYRIGHT**

The Case Study becomes the property of the Ministry of Employment and Training.

Should your Co-operative wish to reproduce the Case Study, in whole or part, upon its completion, the Ministry requires full acknowledgement of the source (i.e. Co-operative Case Studies, Ministry of Employment and Training, 1984).

5. **FORMAT**

To allow for economical and prompt future reproduction and binding, the Case Studies are to be provided to the Ministry of Employment and Training typed (double-spaced) on plain white A4 paper, with margins of 25 mm.

There cannot be a precise requirement for the length of text, but approximately 8,000 words should be regarded as an indicative goal.

Three copies of the Case Study are to be supplied to the Ministry.

6. **DEADLINE**

The Case Study is to be supplied to the Ministry by Friday 31 August 1984.

FIRST REPORT:

STRUCTURAL CHANGE WORKING PARTY

In the transitional period prior to the introduction of CTV, quarterly general meetings should replace monthly general meetings. The success and future of these meetings will depend on organisational input and membership participation. In theory, the monthly general meetings of members have been policy-making meetings. In practice, policy-making has devolved to the Board and the staff. Instead of making recommendations for decision to general meetings, the Board has tended to inform general meetings about decisions. There has been no substantial resistance to this tendency - largely because of the low membership attendance at general meetings.

The pattern could, of course, easily be repeated at quarterly meetings. While it is not possible to force members to attend meetings, they may be more inclined to attend quarterly rather than monthly meetings. This could occur if there is evidence of substantial input and if members are given a real opportunity to make real policy decisions. This, in turn, will depend on (a) the perceived organisational context, (b) the attitudes of the Board and staff to membership participation in policy-making, (c) the information environment created by existing decision-makers and decision-making processes, and (d) the attitudes of members to participation in policy-making.

In theory, the decision-making processes at Open Channel have been open to the participation of members. The reality is that few members have chosen to become involved in decision-making. The decision-makers (the Board and the staff) have tended to react to this by making decision-making "entertaining" rather than "informative" e.g., the monthly operations report is personalised, chatty and inconsistent. While information does not need to be turgid, it should tell members:

- What decisions have been made.
- Why those decision were made.
- What alternative decisions were considered.
- Why these alternative decisions were rejected.
- How the decisions were made.
- Who made the decisions.

It is envisaged that the newsletter, Open Line, will provide an ideal vehicle for information exchange between the Board, staff and members. The newsletter will include quarterly agendas and agenda papers for each quarterly meeting. It is expected that the newsletter will impose a discipline on the Board and the staff to inform members. It is hoped that the newsletter will generate more knowledge and understanding by members, staff and the Board about what is being done and why.

It is critical that the Board and staff begin preparing for the quarterly meetings to be held during 1981, e.g., 9 March, 8 June, 7 September and 7 December. It is important that a tentative list of policy items be prepared and that a series of information papers on these items be commissioned.

While the change to quarterly meetings is made, it is equally necessary to accept that this may be a short-term arrangement because:

- (a) The establishment of a CTV station could lead to a membership growth that makes even quarterly meetings impractical.
- (b) The tendency to equate democratic decision-making processes with mass meetings is arguable.
- (c) There is a need to protect the stability of the station and maximise the possibility of goal achievement.

At the same time, there is a need to remain committed to real democratic decision-making processes. To claim that decision-making processes exist does not self-evidently validate those decision-making processes. To equate monthly general meetings with a democratic decision-making process is an emotional claim to a theory that has not worked in practice. But, then, it is easy to fall behind the rhetoric of responsibility, stability and reality and adopt conservative philosophies and practices which control participative opportunities even more so than at present. It is important, therefore, to develop existing and establish new democratic decision-making processes.

EXISTING DEMOCRATIC DECISION-MAKING PROCESSES:

<u>Process</u>	<u>Openess</u>
Monthly Generaly meetings	Attendance
Structural Change Working Party	Membership
Newsletter	Membership. Contributions
Fast Forward Workshops	Membership. Enrolment
Access Video	Membership. Contributions
Joint Board-Staff meetings	Attendance as observer
Staff meetings	
Board meetings	

FUTURE DEMOCRATIC DECISION-MAKING PROCESSES:Process

Annual conference of members
 Programing units
 Board meetings
 Joint Board-staff meetings
 Research
 Viewer surveys
 Referendums on issues of major significance
 CTV Trust
 Quarterly Board/Staff meetings

The referendum issue is seen as a desirable alternative to prevent the station from being abosrbed by the political quarrels that have characterised 3CR. But, then, it is argued that a referendum stifles debate - because there is not debate - and people are not exposed to the options. The debate about decision-making in a CTV station concerns appropriate levels of decision-making. The question has been posed: Is it desirable to give members the option to make fundamental changes to policy at quarterly meetings?

It is also necessary to accept that different individuals will seek different levels of involvement e.g., making programs, influencing programs and in policy-making. At the same time, there is a need to look at the reality of the Co-operative's membership. There has been a high turnover in membership participation and it has been largely the staff and sometimes Board members who have carried the thrust. It could be argued that the ebb and flow of members is inevitable. But, then, a Co-operative is supposed to develop commitment in its members and this is where recruitment and Co-operative education becomes important. The question has been asked: If many of our members are not committed to CTV can we afford to continue with such members?

It has been suggested that increasing the share holding to a minimum of 25 shares at \$2 a share paid up to \$10 would further test he commitment of members - actual and potential. It would aslo increase the loan raising capacity.

It is likely that a CTV station with thousands of members is unlikely to base policy-making on general meetings of members. It would not be possible to cover the whole operations of the station through general meetings. An alternative possibility would be to organise quarterly general meetings or conferences to discuss specific policy interests at different meetings.

The reality is that the present membership has preferred to participate in specific activities such as making programs. The experience of the women's video group exemplifies this. Many people are more interested in concrete involvements than in the complex, ritualistic, esoteria of meeting procedures. But, then, there have been reasons for the non-involvement of members. It also needs to be recognised that not all the members of a CTV station, possibly the majority, will want to make their own programs. If the majority of the station's members become actual or potential program makers this will limit the nature and development of the station.

David Griffiths
4 December 1980

PRESENT: John Hughes, David Griffiths, Judi Stack, John Kirk, Robert Newton, Margot McDonald, Jenny Harding, Jill Crawford, Diana Earl, Sasha Triko..s, Andrew Scollo, Andrea Phillip, Marion Crooke, Rob Lewis, Clive Small, Bob Weis.

CHAIRPERSON: Brian Walsh

Brian gave his introduction (attached).

Finance

Judi reported on the ongoing cash flow problem due to our inability to meet project income targets.

Discussion took place with regard to administration arrangements with regards to the OC/OCP financial management and it was resolved to hold a working party of those interested at 3:00 pm to discuss in detail future arrangements and the working party to come back to the meeting with recommendations. Chairperson for the working party was nominated - Robert Newton.

Structure

David reported that the trust has been investigated, it is envisaged that the trust would come into operation on the granting of a CTV licence and its role would be to act on behalf of the station with regards to the A B Tribunal and as a heat shield against possible take over of the station by any particular groups.

Those organisations that were originally contacted for membership of the Trust were:

Council of Adult Education
Co-operative Federation of Australia
Trades Hall Council
Ethnic Communities Council

Judi has made some investigations to include such people as Vice Chancellors of Universities to be on the Trust, as well as members from the major political parties.

Discussions have taken place with 3RRR regarding the consolidation of common interests, and the possibility of setting up an educational programming board which would oversee educational programming for both public radio and TV.

Other suggestions for membership of the Trust have been Victorian Council of Churches, and the Uniting Church.

Brian reported that a request from the last GM as to the intended role of the Trust, and clarification of same.

David reported on same (attached).

The structural change committee meeting reported that information going out to members of the Co-operative was incomprehensive. David brought up the fact that not enough Co-operative education was being carried out with the members. The last general meeting discussed and did not pass the motion that General meetings should be held less often (i.e. yearly or quarterly) and the structural change committee recommended that if this was to occur that members should be invited to attend Board meetings, and that a way to increase the information that goes out to the members would be to start up a newsletter.

It was also suggested that Access Video Magazine's content could possibly serve this purpose.

Robert Newton suggested that if OC were intending approaching the 3RRR educational Board to be consultants on programming for PTV that we should consider not making their brief only to cover educational programming, but that that Board could possibly be better employed to oversee the input from educational institutions in whatever are they would take part in.

David put up some recommendations for terms of reference for the Structural Change Committee.

The terms of reference of the Structural Working Party are to consider what structural and subsequent policy changes may be necessary to Open Channel with the establishment and development of a CTV station. This would include considering:

1. Alternative legal forms
2. Membership criteria
3. Staffing policy
4. Membership involvement
5. Information systems
6. Decision making structure
7. Operational areas and structure.

The working party will also be responsible for preparing an implementation strategy for necessary changes.

Brian spoke about the board portfolio system and its inability in the past to take into account all the areas of operation of the Co-operative. Judi suggested that the portfolios could be allocated for each area of the Co-operative and the suggestion was put to make the following separate areas in the centre's operations:

Commercial Services - OCP	(Margot, Bob and Marion)Robert Newton
Non Commercial Services	(Andrea, John, Kirk & Rob)David Griffiths
Production and Technical	(Sasha, Clive and Andrew)John Hughes
Administration	(Judi, Jill and Diana)Brian Walsh

Discussion took place with regard to the areas and in which category each staff member fell into and also the Board member (outside of staff) for each area.

Robert Newton said he would be willing to take on the responsibility for the commercial area but would like to provision for a review to take place.

Some time was spent dividing the areas of responsibility for the different areas of services provided.

	<u>Non Commercial</u>	<u>Commercial</u>
	Access fac. non profit	Comm. Fac. Rentals
	Training	Training
*	Pilot program prod.	Video tape sales
*	Outreach	Distribution
	Distribution-screenings	Production (profit)
*	CTV Consultancy	
	Publishing	Investment & Prod.
	Consultancy	Initiative
	Membership	
	Book Library	

The working party on OC/OCP administrative arrangements left the meeting and the other staff and board discussed the non-commercial area.

OC/OCP - Report from working party

Judi recommended that financial administration be taken on by herself and that this situation continue until the OCP loan is repaid to MAVAM, or until six months have passed - whichever occurs first --- CARRIED BY CONSENSUS

Non-Commercial area working party report

The working party suggested the need for a newsletter and referred this matter to the staff.

Training - the need for production oriented training workshops.

Ongoing program production - the need for co-ordinated approach and follow up in this area.

Facilities - review and replacement - recommendations.

Test Telecasts - to be referred to the staff for discussion.

The need for staff initiatives in program production.

It was recommended that the non-commercial area formulate a proposal to look at these priorities in the next two months.

Test Telecasts

Referred to the staff meeting for discussion.

Administration arrangements to be discussed at the staff meeting.

Access Video

Jenny presented her report to the meeting from which recommended that AV's production be suspended in its present format.

It was agreed that AV's production should be suspended and that this be reviewed in March. It was suggested that the other centres be notified of the above and they be invited to put in \$1,000 each for continued production.

It was agreed that Jenny should be paid an additional \$400.00 for the extra work put into access video and that Jenny's contract be ended after Vol. 6 No. 4 comes out.

It was also recommended that the remainder of the money from the AV budget be put towards the production of the newsletter.

It was suggested that these meetings were particularly productive and that they should be held quarterly - agreed.

A meeting to be convened for Monday 24 November 1980 to continue discussions on those items of the agenda not covered today.

MINUTES TAKEN BY ANDREA PHILIPP

TRUST THE TRUST

1. A Trust shall be established to:
 - (a) Commission and overview an evaluation of the station's performance;
 - (b) Review contracts of senior staff of the station, consider any changes to these contracts and review the dismissal of any senior staff;
 - (c) Ensure that the station maintains its promise of performance made to the regulating authority;
 - (d) Review any major structural and policy changes to the station.
2. The Trust will have the power to make any report on (1) to the Public and the regulating authority when and as deemed appropriate.
3. The Trust will be provided with appropriate secretarial resources by the station as agreed in negotiations between the Trust and the Board of Directors on its establishment.
4. Before making any reports as empowered in (2), the Trust will meet with the Board of Directors of the station to discuss the issue under consideration.
5. Station staff and members will have a right of access to the Trust and will be entitled to a detailed response to matters they raise.
6. The Trust will be nominated by the station with one representative from each of the following organisations as chosen by those organisations:
 - The Council of Adult Education
 - The Trades Hall Council
 - The Ethnic Communities Council
 - The Co-operative Federation of Victoria
7. The regulating authority will be asked to accept these proposals and make them a condition of the licence.

15 August 1980

STRUCTURING THE CO-OPERATIVE

Terms of Reference

The terms of reference of the Structural Change Working Party were to consider what structural and subsequent policy changes may be necessary to Open Channel between now and the establishment and development of a community television station. This has involved consideration of:

- Alternative Legal forms
- Membership Criteria and Involvement
- Staffing Policy
- Information Systems
- Decision-making Structure
- The Board
- Operational areas and Structure.

In considering existing and alternative structural arrangements, it is necessary and desirable to establish the goals of the organisation which should then determine the appropriate structure of the organisation. It is assumed that the goal is the establishment and development of a community television station that is democratic in theory and practice. It is also assumed that democracy does not preclude the necessity of being efficient and effective.

The objectives of the Co-operative are:

- to acquire a metropolitan public television licence in Melbourne
- to provide an environment to stimulate innovative and socially relevant television program productions
- to provide an adequate colour video resource for videomakers, filmmakers, artists and community organisations in Melbourne
- to minimise the Co-operatives reliance on Government support.

CHANGE	PAST	PRESENT AND FUTURE
Staff tenure	12 month contract	3 month-3 year contracts
Meetings quorum		5%
Board membership	Three staff illegal	Amend Co-operation Act
Programing	PACT Program Unit	Program Units
Member recruitment	General Meeting questioning	General or Board meeting ratification after Orientation Workshop
Staff and Co-operative	Optional but desired membership	Obligatory within three months
Staff and Union membership	Optional	Obligatory on becoming staff member
Legal Form	Co-operative	Co-operative
General meetings	Monthly	Quarterly
Staff Meetings	Spasmodic. Annual with Board	Weekly. Quarterly with Board
Informal member meetings	None	Regular
Board election	Annual for 12 months at AGM	Postal. Proportional Rotated
Information Availability	Access Video. Ad hoc report availability	Open Line Systematised report availability
Shareholding minimum	One \$2 share fully paid up	Ten \$10 shares paid up to \$10 (required 10% minimum)
Trust	None	Legitimacy heat shield
Referendums	No provision	On request by two-thirds membership/Board

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LEGAL STRUCTURE

The different legal structures that could be adopted are:

- Partnership
- Proprietary (Private) Company
- Public Company
- Company Limited by Guarantee
- Co-operative

Factors influencing the choice of legal structure include:

1. The nature and scale of the business activity may dictate a simple or complex structure.
2. The need for the individual or group to share the business risk, the profits and losses.
3. The desire to determine the present and future control of the business.
4. The ideology of the individual or group setting up the business.
5. The present and projected size of the group involved in the proposed business.

PARTNERSHIP

A group of up to 20 people interested in establishing a business could decide to establish a partnership instead of incorporating as a company or a Co-operative. A partnership agreement may be oral or written. It is better to have a written agreement, however, because it protects the interests of all parties and avoids unnecessary misunderstandings. The advantage of a partnership is that it is relatively simple and inexpensive, it provides additional funds which individuals do not have, it brings together the different skills of the individual partners and gives the business a legal status.

The disadvantages of a partnership is that the maximum number of partners is 20, each partner has unlimited liability for the obligations of the firm, transfers of partnership are difficult if not impossible because it depends on all partners agreeing, and decisions have to be made by all partners unless specified otherwise in the partnership agreement.

Partners are not financially and legally protected in the same way that members of a company or a Co-operative are protected. The partnership is certainly administratively simpler than incorporation requires and there is not the same public accountability requirements. While additional funds are provided in a partnership by the number of partners, this does depend on the resources of each partner. A Co-operative or company may be able to attract more funds because of the unlimited membership. It really depends on how much finance is required and the extent to which you want the business to be open to other interested individuals. While a partnership is relatively inexpensive, incorporation as a company limited by guarantee is relatively inexpensive. If your major goal is personal business achievement and you need other people to help you, then a partnership is more appropriate than a Co-operative. If you want to have personal control over all facets of your business but you need other people to help

COMPANIES AND CO-OPERATIVES

A company or Co-operative has many advantages over the sole trader and partnership. The continuity of the business is not threatened by the actions of individuals, the shareholders have limited liability (ie, limited to any amounts unpaid on share capital subscribed), additional capital required may be more easily obtained and there are more skills available to the company or Co-operative.

The disadvantages are that incorporation, in contrast with a sole trader and a partnership, is complex - more so for a company than a Co-operative. The formation of a company can indeed be very expensive - in particular, the legal advisory service fees.

In companies other than Co-operatives, voting strength is related to size of shareholding. In Co-operatives voting is personal and equal - each member has one vote which should protect them from take-over by individuals, companies or other groups. Companies and Co-operatives are subject to more Government supervision and regulations as a protection for the members than are sole traders and partnerships.

CO-OPERATIVES

The primary consideration in determining whether or not a group should incorporate itself as a Co-operative is ideological - whether or not the group has an understanding and commitment to Co-operative principles and practice. Co-operatives are, however, businesses subject to Government control and members have to accept their responsibilities to their Co-operative (and fellow members) by:

- financial support to provide funds for equipment needed to operate
- involvement - by using its services or the goods it supplies
- contributing labour or skills to assist its development
- attending meetings to vote on issues as matters arise.

In theory, the Co-operative is the most democratic form of business organisation which attempts to introduce the principles of democracy into the workplace where people are as important as profits. In summary, these principles are:

1. Voluntary and open or bond membership.
2. One person one vote.

3. Surplus or savings belong to members - either in the form of collective reserves for future development or as distributed to individual members in proportion to the support each has given to the Co-operative.
4. Interest payable on shares is limited by shares.
5. Education of members.
6. Active co-operation between Co-operatives.
7. Directors are usually members and are usually elected by members.

Complementary to these ideological considerations are economic considerations - the economic control and benefits offered by different forms of incorporation.

Co-operatives like any other business must be profitable to exist and develop. The important difference between Co-operatives and other businesses is that their profits belong to the people who created them - the members and not to the people whose sole contribution to the company was capital.

If individuals and groups are oriented to making their own choices, decisions and risks, then, a Co-operative structure is inappropriate because it limits individual choices, decisions and risks by subjecting them to group membership scrutiny. If a group with little capital wishes to establish a business run on Co-operative lines then a Co-operative can combine funds from its membership and thereby create an enhanced capacity to borrow on the value of the shareholding.

It is impossible for a few individuals or groups to control a Co-operative. Under the Co-operation Act 1958 no member is allowed to hold more than 20% of the shares. Within this, Co-operatives may fix a minimum and maximum holding per member. Each member has only one vote - irrespective of their shareholding. Unlike companies, because of these requirements, a Co-operative cannot be taken over by an outside group, company or Co-operative. Shares are not quoted for sale or purchase at any stock exchange or in any public manner whatever. Directors must be members of the society and are appointed by members.

There are four other advantages specific to a Co-operative structure over a company structure:

1. Credibility

The public intends to view Co-operatives as mutual and equitable organisations benefiting their members and the community. Co-operative societies are tended to be regarded as credible organisations who are kept accountable by registering requirements, annual audits and regular inspections.

2. Costs

Incorporating a Co-operative currently costs nothing and currently there are no fees for the respective returns that have to be made to the Registry of Co-operatives. In addition, legal and formation costs are minimal. All necessary documents may be prepared with the assistance of the Registrar of Co-operatives.

3. Taxation

Co-operatives may fall into the income tax category of Co-operative and Mutual Companies for taxation purposes. In order to do this, they must qualify under Division 9 of the Commonwealth Taxation Act and be able to prove that 90% of their trade is conducted with members. Many societies are exempt from sales tax if they can convince the Taxation Department that they are basically non-profit organisations and their rules do not provide for rebates or dividends.

Another benefit to Co-operative societies in Victoria includes an exemption from Stamp Duty in respect of cheques, receipts, share transfers, or the conveyance or transfer of real property acquired by a community settlement society.

4. Legal

The Co-operation Act 1958 is less complicated and easier to understand than the Companies Act 1961. The complexities of the Companies Act are not well understood by many business people and solicitors. At the same time, there are many statutory requirements which a Co-operative is obliged to follow.

THE DECISION-MAKING

The decision-making process of the Co-operative concerns who make what decisions and how.

What should be the respective decision-making roles of members, quarterly general meetings, quarterly Board-staff meetings and the Board?

What kind of decision-making needs to be made by the different levels of decision-making?

Where does policy-making become policy-making?

When does policy become policy?

What kind of information is necessary for these decision-making levels to be effective and efficient?

What is the relationship between informal and formal levels of decision-making?

What is the impact of personality and style on decision-making?

What are the variables that impact on the decision-making process?

It is assumed that it is desired that decision-making should be democratic and effective.

The overall responsibility of the Board of the Co-operative is to ensure that the objectives of the organisation are pursued and to determine policy that flows from these objectives. The Board also has a responsibility to keep the membership informed about issues and concerns.

The staff have a responsibility to act under the direction of the Board to implement the objectives and the policy. The staff also have a responsibility to inform the Board of policy implications, consequences and options. The staff should be informing the Board of the practical consequences in terms of the day to day operations and the problems of theory in practice.

The staff, then, must ensure that verbalism and theoreticism are grounded in practice. The Board, in turn, must ensure that activism and economism are based on theory.

The decision-making process needs to be seen as formal and informal. Formal decision-making processes are sometimes alienating because they are formal and are actually or are seen to be controlled by those who know meeting procedures and group psychology. Yet, people may have ideas and contributions and that they would like to and would make in an informal situation.

The February general meeting decision to experiment with an informal meeting on the 23 February 1981 is an attempt to capture this possibility through a brainstorming and rolling discussion of ideas. The relevance of such informal discussions to decision-making will depend on the willingness and ability of staff to act on the issues, questions and suggestions made. It will also be critically important to allow people to explore their ideas and avoid the temptation to dismissive.

It has already been decided that quarterly general meetings should replace monthly general meetings. Critical to this change is the recognition that Board and staff input will have to change.

To the present general meetings, the Board meetings, have suffered from:

1. Most circulated reports trivialising the information needs of members and directors.
2. Inadequate numbers of reports being circulated at meetings.
3. Requests that decisions be based on verbal reports and comments made at the meetings.
4. The absence of reports which have summarised decisions and results.

It is recommended, therefore, that the finalised version of this report be the agenda for the quarterly meeting in March and that it be circulated with the notice of meeting. This will enable members to read and think about the report before the meeting and, if necessary, contact staff and directors about issues arising out of the report.

MEETINGS	REGULARITY	FUNCTION
Board	Monthly and as required	Policy-making Organisational priorities and needs Staff contracts Membership interests Legal responsibility Access for members and staff
.....		
Board and Staff	Quarterly	Major policy issues Board-staff relationship Consensus building
.....		
Staff	Weekly	Work tasks, priorities and needs Implementation and review of policy Staff supervision Recommendations to Board
.....		
General Meetings	Quarterly	Major policy issues Keeping Board and staff accountable Grievances unresolved

THE STAFF

At present there are staff employed by Open Channel. Finances permitting, it is planned this staffing level would increase to approximately 50. What is most likely to happen, however, is that the staffing level will remain the same or increase marginally. * The consequences of this are enormous for the staff for their present workload would simply increase.

It does need to be appreciated that it is the commitment and energy of the staff that has provided Open Channel with its momentum and survival capacity. After all, it is the staff who maintain the organisation day by day by day.

The staff exercise a great deal of autonomy in decision-making. They are responsible for implementing and interpreting policy. They can influence policy by indicating and/or determining what is practical and impractical with existing policy. Based on their experience and work, they can suggest modifications and changes to policy. Once contracts are agreed with the Board, the staff as a group can determine their own rewards and punishments. While these are subject to the Board, the Directors prefer to allow the staff to exercise autonomy. Three of the staff have been elected to the Board and there are now quarterly Staff-Board meetings.

Not all the staff have chosen to become members of the Co-operative. The reasons for not joining have been individual and personal. It has been accepted that staff should join but should not be obligated to join the Co-operative. Presumably, the assumption has been that the services of skilled workers are more important than their Co-operative membership.

It is recommended, however, that staff should be required to join the Co-operative within three months of joining the staff. Of course, the obligatory membership does not of itself instill Co-operative theory and practice. It is, however, a useful beginning. The history of other Co-operatives has shown that at critical periods the ability of its members and workers to understand, accept and act on Co-operative theory and practice has been critical to their survival. Workers who are not committed to Co-operative theory and practice have the capacity and potential to undermine the Co-operative. It is a luxury to have workers who do not care who they work for as long as they have a job.

The question of union membership is even more controversial than Co-operative membership. The issue has been raised several times with the staff who have had the luxury of not having to resolve the issue. At present, as always, some staff belong to unions and others choose not to belong to unions. It is time to make a decision. It is recommended that compulsory unionism should be enforced and that all workers should be required to join relevant and appropriate unions. It is naive to assert and assume that Co-operatives transcend unionism.

Even Australia's traditional and conservative Co-operatives do not openly espouse such views and allow their workers to join unions. There is nothing incompatible with union and Co-operative membership. Furthermore, it needs to be recognised that if we were seen to be anti-union this could place our whole campaign for a community television station in jeopardy. We cannot afford to court the opposition of unions. Indeed, we need their support.

The Co-operative is committed to a form of industrial democracy - the participation of workers in decision-making processes. This operates formally and informally. It does not, however, work as well in practice as it could for its success depends on the motivations, priorities and understanding of the individual workers. That there are three workers on the Board does not necessarily mean that the workers are represented on the Board. What in fact might occur is that the Board has three workers who represent themselves and their positions. The representativeness of these workers depends on how seriously they do and can take their representativeness, the extent and manner in which they inform and consult other staff and the extent and the manner in which they represent the views of other staff to the Board. Equally important, however, is the need for other staff to make the staff on the Board accountable to them - to force worker directors to consult and inform. The commitment to industrial democracy should continue but this does not need to be examined far more seriously than it has been in the past. If the Co-operative and its workers believe in a form of industrial democracy, then, this needs to be identified, clarified and defined.

Staffing arrangements should meet administrative, production and operational requirement.

1. Staff will be employed on a contract basis varying in length from three months to three years.
2. Producers will generally be employed on a short term basis both from the industry and the pool of local independent and freelance producers.
3. Administrative and technical staff will generally be employed on long term contracts.
4. Salaries will be determined on the basis of relevant union awards where available or by a process of negotiation at staff meetings where there is not industry award - subject to the approval of the Board.
5. Staff would meet regularly as a whole and as working groups.
6. Staff could constitute their own programming unit.

7. Staff would have a delegate to the Programing/Scheduling Committee.
8. Staff would have a delegated observer at Board meetings.
9. Staff would be able to stop program making and programs that contradicted overall policy or were technically inferior.
10. The Co-operative would investigate staff exchange and secondment arrangements with other broadcasting sectors.
11. Staff would be required to be members of the Co-operative.
12. Staff would be required to be members of appropriate unions.

THE BOARD

In the beginning, the Open Channel Board was ineffective by design - a rubber stamp to both general meetings and workers. While individual directors were active by virtue of their also being staff or because of an individual commitment, the Board did not effectively function.

In theory, policy making was left to general meetings - guided by the staff. But, then, most members proved themselves to be consistently reluctant to relate to formal decision-making processes other than in a albeit genuine, cantankerous and suspicious manner.

In 1979 it was decided that the formerly passive Board should become active. It was realised that policy-making initiatives and decisions required an informed and committed group and that this could be effected through the Board. Legally, of course, the Board is responsible. The decision has had a fluctuating success but, on the whole, the organisation has benefitted from a more active Board.

It is true, however, that the quality and the capacity of the Board has suffered from the failure of the staff to provide comprehensive reports which present policy options and consequences and the failure of the Board to require such reports. The quality of decision-making is dependent on such reports. Regular reports on policy issues and initiatives should be prepared for the consideration of the Board. These reports should be circulated before Board meetings. That very little of this has happened to the Board makes it more understandable why general meetings have suffered from the same problem.

Critical to the success of the Co-operative is the active involvement and concern of the Directors. Directors need to be active in between meetings, as well as at meetings. In particular, the Directors should provide a serious information input into quarterly general meetings, provide for a systematic and ongoing Co-operative education program and ensure that decisions are based on an extensive information base. The system of Board portfolios should continue provided that the portfolio system is more than just a rhetorical assertion. The prime responsibility for ensuring that the portfolio system works lies with the Directors.

The broad responsibilities of the Board of Directors will be to:

- (a) Appoint and supervise staff.
- (b) Receive regular reports from staff and the Programing/Scheduling Committee.
- (c) Determine overall policy of the station and ensure through staff, that the policy is adhered to.
- (d) Publicise, define and defend the role of the station and of community television.
- (e) Initiate and supervise research.
- (f) Liaise with the Trust.
- (g) Direct responsibility for the open access segments on the station.
- (h) Establish overall programing goals and review these annually.

It will also be necessary to attract as members of the Board individuals who have business and managerial experience. The present membership of the Board is dominated by ideologues, theoreticians, representatives and the interested. The management of the Co-operative suffers as a result of this deficiency in managerial experience and knowledge - leaving the Administrator isolated in managerial decision-making. With the establishment of the community television station, it will be even more important to have individuals on the Board who are experienced, knowledgeable and skilled in such areas as accounting, fund raising and marketing. This is not to argue that a managerial board should replace the present Board but that it would be to the advantage of the Co-operative to recruit additional individuals beyond the Co-operative membership. For this to work it would probably involve personal approaches to potential candidates. As well as this, however, more attention could and should be given to enabling present directors to become more skilled as Directors through management workshops run by the Co-operative itself or by the Co-operative Federation of Victoria.

At present, there are three staff on the Open Channel Board of 7 - Judi Stack, Marion Crook and Andrew Scollo. The Registry of Co-operatives has indicated that there should be no staff on the Board although an exception could be allowed for a Secretary/Administrator.

This interpretation is apparently based on a interpretation of the Co-operation Act 1958 by the Attorney Generals Department. Open Channel has chosen to ignore this legalism because it believes that if the membership chooses to elect staff to the Board this should be allowed.

The Open Channel proposal states that:

There are two arguments that need to be examined -

- (a) Whether or not staff should be elected as members of the Board.
- (b) Whether or not staff should have guaranteed representation on the Board.

Arguments against staff representation concern whether or not staff can be sufficiently objective, whether they can develop an overview, stand back from their daily work and ask the right questions. It could be argued that a non-staff Board could look at future, could stand back, could ask the right questions and could provide an objective assessment.

While it is conceded that it is difficult for staff to act as Board members, it could be argued that this difficulty should not preclude staff from having a more responsible role and that staff should not be just subject to the Board. It could be argued that it is essential to have staff representation, that how the staff see themselves is critical to the operations of the Co-operative and that the staff should regard themselves as key to the operations of the organisation and this should be formalised by their membership of the Board. It could also be argued that staff representation is logical given the fact that most board's are generally rubber stamps for chief executives although this is not always the situation. Finally, it could be said staff who work in an organisation should have a say in developing policy.

The question of staff involvement in decision-making does need to be placed within an overall context of decision-making. While staff representation on the Board may be necessary and desirable, there are alternative and/or complementary ways for staff to be involved in decision-making. Two recent developments have given a more effective and relevant expression to this - the allocation of Board portfolios where individual Board members work with staff in specified portfolio areas and the decision to change the annual Board-staff conference into a quarterly meeting.

If staff are to be represented on the board, some practical questions are:

- Should the Administrator of the Co-operative be a member of the Board, or instead, attend Board meetings?
- Should the staff on the Board accept positions as Chairmand and/or Secretary of the Board?
- Should the staff elect staff representatives on the Board rather than the membership?
- Should staff members of the Board be rotated and, if yes, on what basis?
- How should staff representatives on the Board be accountable to other staff?

Other questions that should be considered include:

- Should the positions of Chairman and Secretary of the Board be rotated and, if so, on what basis?
- Should there be limited tenure on Board membership?
- Should there be limited tenure on officer positions?

The Co-operative Federation of Victoria has been asked to raise with the Minister for Housing, J Kennett, the right of Co-operatives to have workers as Directors. Although the Co-operation Act is being revised, there is not provision in the new Act for worker Directors.

THE MEMBERSHIP

Anyone can join the Co-operative provided they become a subscriber and a shareholder and survive the ritualistic questioning of a general meeting. At the meetings, prospective members are questioned and then a vote is taken on their application. While an improvement on a previously passive and automatic procedure, the questioning seems somewhat churlish and invites meaningless glib responses and assurances.

It is recommended, therefore, that the recruitment procedure be change and that prospective members be required to attend an Orientation Workshop which orients the applicants to the history, philosophy, activities and procedures of Open Channel.

Provided applicants attended and understood the Workshop an automatic acceptance recommendation would subsequently go to the next general or Board meeting whichever is the earliest. The replacement of monthly by quarterly general meetings will make it necessary for the Board to have the power to admit members. A list of new members admitted, indicating their background, could be published in Open Line and made available at quarterly general meetings.

At present, it is necessary to become a subscriber at a cost of \$30 before an individual can become a shareholder. Shareholders are required to purchase on \$2 share fully paid up.

It is recommended that present and future shareholders be required to purchase a minimum of 10 \$10 shares paid up to the legislative minimum of 10% (\$10). This dramatic increase (500%) from on \$2 share is based on the need to acquire more committed shareholders and to provide the capacity to raise loans on the uncalled capital of the Co-operative. It is assumed that a possible \$100 commitment could induce more consideration on the responsibilities and consequences of joining than a definite upper limit \$2 commitment. In addition, provided their shareholding did not exceed the legislative limit of 20% it would be possible to induce some shareholders to purchase 100 (\$1,000) shares paid up to 10% (\$100).

It is possible to obtain a Government guarantee for loans. Applications for such loans are lodged with the Co-operative Advisory Council which makes recommendations to the Governor-in-Council and the Treasury. The uncalled capital of the Co-operative is the Government's security. The Government will guarantee 80% of the uncalled capital. Securing such a guarantee is also dependent on the availability of assets equal to the loan.

At the same time, it will be necessary to point out to potential shareholders that they will have a possible liability of \$90. It is always possible that they could be required to pay up part or all of this beyond the initial paid-up capital of \$10 depending on the future of the station. It is equally important for shareholders to realise that the Co-operative is unlikely to yield a surplus sufficient enough to justify a dividend. It is unlikely, therefore, that it will be possible to attract investors who are interested in a financial return on their investment. Rather, the kind of investors we will need are those who are satisfied with an intangible non-monetary return - the satisfaction derived from establishing and maintaining a community television station.

In order to change the basis of shareholding it will require a special resolution setting out the proposed change and instructing the Administrator to write to all existing members seeking their consent to the change.

THE TRUST

For some time now work has been proceeding on the establishment of a Trust with representative from a number of reputable and representative organisations. The theory of the trust was to provide Open Channel with a democratic heat-shield that protected the goals and operations of the station from political takeover and reassure the licensing authorities of the seriousness of our commitment to protecting these goals and operations. At the same time, it was considered undesirable that the proposed members of the station would be actually determining the policy of the station. It does have to be obviously conceded that once the trust is established, however, it will exercise an influence over station policy within existing policy. Its role is to maintain policy and not initiate policy.

The role of the Trust is envisaged as being to:

- (a) Commission and overview of the station's performance.
- (b) Review contracts of senior staff the station, consider any proposed changes to these contracts, review the proposed dismissal of any senior staff and review the proposed appointment of senior staff.
- (c) Ensure that the station maintains its promise of performance made to the regulating authority.
- (d) Review any proposed major structural and policy changes to the station.

These reviews will involve the Trust making reports to the Public and the regulating authority when and as deemed appropriate by the Trust. In order to do this, the Trust will be provided with negotiations between the Trust and the Board of Directors on its establishment. Before making any of these reports to the Public and the regulating authority, however, the Trust will meet with the consideration. Members of the Trust will not have a right to attend other Board meetings. Station staff and shareholders of the station will have a right to lodge complaints to the Trust regarding the goals, operations and structure of the station and be entitled to a detailed response to matters they raise.

OPEN CHANNEL CO-OPERATIVE LTD

CONSTITUTIONAL REVIEW COMMITTEE:

PROPOSED SPECIAL RESOLUTIONS

GENERAL MEETING: 26 SEPTEMBER 1983

**INTRODUCTION - CONSTITUTIONAL REVIEW COMMITTEE: PROPOSED
SPECIAL RESOLUTION**

These Special Resolutions listed below have been prepared for the consideration of the general membership by the Constitutional Review Committee. This sub-committee of the Board was comprised of two Board, two staff and two member representatives and has been meeting regularly for the last six months. The special resolutions you find listed here result from a considered appraisal of the Co-operative's current constitution.

The rationale underlying our approach was to determine the factors giving rise to irregularities and anomalies in Open Channel's existing structure and function.

This has led to a complete review of Open Channel's existing constitution which has included:

- examination of the Co-operative's 146 rules
- examination of the Co-operative Act Model Rules
- examination of amendments to the Model Rules passed at Open Channel meetings over the last 6 years
- Comparison with other organisations
- Discussion of proposed special resolutions with the Registrar of Co-operative - approval obtained.

The majority of the changes recommended by the Committee (see comments below) are in fact reversions to the original Co-operative Act Model Rules. Changes to the original constitution were made over a long period of time and quite probably in isolation from one another, and from the overall structure of the constitution.

A Brief Summary of the Sub-committee's reasons for proposing these resolutions is as follows:

1. Amended Rule 9 (Back to original Model Rule)

"A general meeting may reject an application for membership and need not assign any reason for its action"

... be amended back to its original form by substituting the words "The Board" for the words "A General Meeting", and by adding the statement:

"The Board shall approve membership applications subject to ratification at the following general meeting."

This process would make it easier for people to join the Co-operative, whilst still leaving the ultimate right of acceptance to the membership.

2. Amended Rule 16 (Back to original Model Rule 61(1) & (2))

(i) "The board or chairperson may, whenever it thinks fit, convene a special general meeting of the society."

(ii) "The board and the chairperson shall, on the requisition of not less than five members, being the holders of shares upon which calls or other sums then due have been paid, forthwith proceed to convene a special general meeting."

... be amended by substituting the words "The board" for the words "The board or chairperson", and the words "not less than twenty members" for the words "not less than five members."

This proposed change is in keeping with the growth in membership. In line with other proposed special resolutions we are recommending that the power of the chair within the Co-operative be reduced.

3. Amended Rule 17 (Back to original Model Rule)

"If the chairperson does not proceed to cause a special general meeting to be held within twenty-one days from the date on which a requisition therefore was deposited at the registered office, the requisitionists, or any of them, may convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit of the original requisition."

... be amended by substituting the words "the board" for the words "the chairperson."

See comments on role of chair under notes for 2.

4. Amended Rule 18

"Any member, having a resolution to submit to a general meeting, shall give written notice thereof to the society not less than fourteen days prior to the date of the meeting."

... be amended as follows:

"Any member, having a resolution to submit to a general meeting and wishing to have that resolution circulated to all members beforehand, shall give written notice thereof to the society not less than fourteen days prior to the date of the meeting."

The effect of this change is simply to enable members to have notice of any resolution circulated to the membership.

5. Amended Rule 20 (Back to its original form)

"No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, four members shall be a quorum."

... be amended by substituting the word "seven" for the word "four."

This proposed change is in keeping with the growth in membership.

6. Amended Rule 21(2) (Back to its original form)

"Topics for discussion shall be submitted in writing, when requested by the chairman."

... be amended by substituting the words "Propositions and amendments" for the words "Topics for discussion", and also that the word "chairperson" be substituted for the word "chairman."

The sub-committee felt that the amended wording seemed far too broad and all encompassing.

7. Amended Rule 21(3) (Back to original form)

"Discussions on any topic shall continue until the chairperson rules that there be no further discussion or until a motion 'That there be no further discussion on this topic', or, if a proposition has been moved, 'that the motion be put' has been moved, seconded and carried and any such resolution shall be put to the meeting without debate."

... be amended back to its original form i.e. Model Rule 77(g) which states:

"Any discussion may be closed by a resolution that the question be now put' being moved, seconded and carried, and any such resolution shall be put to the meeting without debate."

See comments on role of Chair under Note 2.

8. Amended Rule 22

"There shall be a board of seven directors, one of whom shall be the chairperson" ... there shall be substituted the following rule:

- (i) "There shall be a board of seven directors, only one of whom may be an employee of the society."
- (ii) "A Chairperson, not being an employee of the society, shall be elected by the board to chair its meetings. The board shall determine the period for which that person holds office."

In line with proposed changes to legislation governing Co-operatives the committee recommends that there should be one staff member on the Board.

It is generally accepted that an employee of the Co-operative should not be the Chairperson.

9. Amended Rule 26(5)

"Immediately after the election of directors at the annual meeting, nominations shall be called for the position of chairperson and if necessary, a ballot conducted. Only directors of the society shall be eligible for nomination."

... be deleted.

It is usual practice for a chairperson to be elected by a Board of Directors. Open Channel's current practice allows for a "presidential" style of operation where the Chair is not required to be accountable to the Board.

10. Amended Rule 13(3)(d)

"The ordinary business of the annual meeting shall be ... to elect the chairperson of the board."

... be deleted.

This relates to the above proposed changes to the role of the Chair.

PENNY ROBBINS

On behalf of Constitutional Review Committee

THE STAFF

Open Channel staff are responsible to the general meeting of the Co-operative for the day to day operations and management of the centre.

The staff function as a working collective within the organisation and meet weekly in democratic meetings. Since its inception the Co-operative has recognised the importance of encouraging and developing participative (as opposed to hierarchic) staffing structures and has pursued a policy of a balance of "worker control" with "community control." This is reflected on the Board of the Co-operative which has always contained members of staff.

Open Channel's current staffing policy outlines the rights and responsibilities of the workers very clearly.

STAFFING POLICY

1. Status and Meetings

- | | |
|---|--|
| <p>(a) All staff are to have equal rights in decision making at staff meetings.</p> <p>(b) Decisionmaking by staff shall be made democratically at regular weekly meetings.*</p> <p>(c) Minutes of staff meetings are to be recorded and made available to be read by any voting member of the Co-operative.</p> <p>(d) Staff meetings shall exercise the right of decision making in the following areas (subject to the overriding right of the general meeting and as indicated by Co-operative policy or established precedent.):</p> <ul style="list-style-type: none"> (i) allocation and use of Co-operative resources (ii) budget expenditure and control (iii) liaison with other organisations (particularly funding bodies) | <ul style="list-style-type: none"> (iv) public relations (v) determination and allocation of staff members' responsibilities (vi) review of staff members' performance (vii) engaging and dismissing staff as defined in item 2 and 4. (viii) to engage consultants. <p>(e) The staff shall report to every Co-operative general meeting.</p> |
|---|--|

2. Staff Selection

- (a) New full-time and part-time (in excess of one day/week) staff positions are to be advertised in a Melbourne metropolitan paper and that a notice should go on the MAVAM notice board advertising the vacancy, and if practicable, to members in a monthly mail-out (if not practicable, reasons are to be outlined by staff in staff report at next general meeting).

- (b) New staff are to be selected by a panel comprising of a majority of staff persons and, where practicable, other representatives as nominated/elected from a General Meeting for this purpose. Where not practicable, staff will make an effort to invite participation of board members.
- (c) The panel is to give preference for new positions to suitable and appropriate Co-operative members.

3. Salaries

- (a) (i) Staff salaries are to be determined principally by negotiation at a staff meeting.
- (ii) Salaries are to be paid at a rate no less than the appropriate award rate or its equivalent unless otherwise determined by a staff meeting, or if there is not appropriate award, at a rate no less than that paid currently for similar job responsibilities.
- (b) Salaries may be adjusted at no more than six monthly intervals by a staff meeting, within budget provisions; except in the case of staff employed for less than six months.

4. Conditions

Recreation (Holiday) Leave - 4 weeks including 17 1/2% loading.

Sick Leave - up to a total of fourteen (14) working days per annum.

Employee's Right to Terminate - on the employee delivering a notice in writing indicating intention to resign no earlier than two weeks from the date of notice being delivered.

Employer's Right to Terminate - on the employer giving three weeks notice in writing to the employee subsequent to a recommendation of the majority of the staff submitted to the employer and upon a resolution being carried by at least 2/3 majority of the board, at a meeting at which the employee shall have the right to be heard upon being given reasonable notice.

Minimum Weekly Working Hours - 35.

Overtime - negotiable.

Special Conditions of Employment - the employee shall declare any interests he has by way of other employment in similar work to that which he performs for the employer. Notwithstanding anything herein this agreement shall cease to have effect in the event of the employer being wound up. Staff will, subject to the right of the Board of Directors, be placed on contract to the Co-operative after a probationary period of three months.

5. Disputes

In respect to a dispute with regard to staffing, the staff may request to speak to an appeals committee formed from the board for this purpose at the earliest opportunity.

- * Definition of "democratically" - one staff person, one vote where voting is required. Consensus preferred.

OPEN CHANNEL CO-OPERATIVE LIMITED

STAFFING POLICY

AS AGREED UPON BY THE STAFF

ON 7 AUGUST 1984

AND RATIFIED BY THE BOARD

ON 15 AUGUST 1984

1. ENGAGEMENT

- 1.1. All staff shall be selected by a panel nominated by the Staffing Committee. Actual appointments made by this panel shall be ratified by the Staff and then by the Board.
- 1.2. Every effort will be made to notify members of the Co-operative of staff vacancies, and preference will be given to members who are suitably qualified.
- 1.3. If not already, all new staff must agree to become Co-operative members and will be encouraged to join the appropriate union.
- 1.4. On engagement, all staff shall be supplied with written duty statements prepared by the Staffing Committee and approved by the Board. Any variations on duty statements shall be ratified by the Board.
- 1.5. Staff performance shall be reviewed by the Staffing Committee three months after appointment.
- 1.6. The wages and conditions of all Open Channel staff shall be governed by an appropriate award or agreement which shall be negotiated by the Staffing Committee and ratified by the Board.

2. PARTICIPATION IN DECISION-MAKING

It is fundamental to the principles and practises of the Co-operative that staff are adequately and effectively represented in the decision making processes of the Co-operative. In order to effect this:

- 2.1. Members of staff shall be encouraged to participate actively in General, Annual General and Special General Meetings of the Co-operative.
- 2.2. Staff shall be represented on the Board by a staff nominated representative.

- 2.3. Staff shall be able to participate in all major decision making areas through staff nominated representatives on appropriate committees to be established by the Board.
- 2.4. The Staffing Committee shall comprise the General Manager, two Staff members, and two Board members, one of whom must be the Staff Representative.
- 2.5. All staff shall have the right to attend all Board and Board Committee meetings and shall have free access to all minutes, papers and other documents which are related to or arise from these meetings. Staff are to be notified of meeting dates and Board papers are to be circulated at staff meetings.

3. **COUNSELLING AND DISMISSAL PROCEDURES**

The Board may at any time terminate the employment of any member of staff subject to the following procedures:

- 3.1. Staff shall be counselled by the General Manager or a relevant supervisor as to work performance.
- 3.2. Where questions of performance continue to arise, the staff member shall be provided with suggestions in writing as to areas of improvement.
- 3.3. Where the General Manager believes there has been insufficient progress in regard to improved performance staff shall be provided with a written warning which details the continuing concerns with performance and areas for improvement and which indicates that if no improvement occurs their employment shall be terminated.
- 3.4. Where the staff member concerned desires, a copy of this warning will be tabled at the next Staffing Committee meeting. The Staffing Committee shall canvas the opinions of all staff in the relevant area.

Where the Staff Member under review is a member of the Committee, the staff shall be called to elect a new member.

- 3.5. In the event of the procedures as set out in paragraph 3.3. being carried out, staff shall be entitled to discuss the written warning with the General manager or the Staffing Committee. They may be accompanied by a representative of their union or another person of their choice.

- 3.6. Where the Staffing Committee or the General Manager has recommended dismissal, the staff member concerned shall be entitled to a written notice of dismissal which shall set out the reasons for dismissal.
- 3.7. Any staff member who has had their employment terminated pursuant to the above procedure shall be entitled to appeal against this decision to one of the following:
 - (a) A staff meeting, who will then report to the Board for final decision.
 - (b) The Board.
 - (c) A private arbitrator mutually acceptable to the staff member concerned, the Staff and the Board.
- 3.8. Any decision made pursuant to the appeal procedure as set out in paragraph 3.7. shall be final.

BACKGROUND AND DESCRIPTION

In 1974 a video resource centre was first established in Melbourne. Funded by the Film and Television Board of Australia Council, it operated on a shoestring budget. The aim of the centre was to foster the growth and development of video in the areas of art and social action. In 1976 the original centre evolved into a new non-profit Co-operative - The Melbourne Access Video and Media Co-operative, funded by the Australian Film Commission. Originally known as MAVAM, the Co-operative soon became known as Open Channel. This name is a reflection of Open Channel's enduring objective which is to establish Melbourne's first Public Television station, broadcasting independent television programs and open to everyone with a concern for the quality and content of the television they watch.

PUBLIC TELEVISION - A HISTORY CALENDAR

- | | |
|----------|--|
| 1974 | Carlton Video Resource Centre established and controlled by the Australian Council. |
| 1976 | Melbourne Access Video and Media Co-operative (MAVAM) Ltd formed. |
| 1976 | Frevideo (WA) puts community program to air on Perth commercial channel. |
| 1978 | PACT REPORT published by Open Channel, about Community (late Public) Television. Public Action for Community Television launches 18 month campaign. Production group begins. |
| 1978 | Public Broadcasting Association of Australia (PBAA) adopts Community Television policy. |
| 1979 | "New Directions" First National Conference on Public Television, organised by Open Channel and PBAA. |
| JAN 1980 | Federal Government announces plans for Independent and Multicultural Broadcasting Corporation (IMBC). |
| MAY 1980 | Public Television for Melbourne and national draft planning proposal for community television published by PBAA and Open Channel. |
| AUG 1980 | Federal budget: no provision made for Public Television. |
| SEP 1980 | IMBC legislation blocked in Senate. |
| OCT 1980 | Federal Government announces it will introduce Public Television services in the first quarter of 1981. Multicultural Television started by SBS in Sydney and Melbourne on Channel 0/28. |

OCT 1980 Open Channel confirms its intention to bid for Public Television licence.

FEB 1981 IMBC Implementation Committee supports proposal for two 4 hour Public Television test broadcasts on Channel 0/28.

APR 1981 AFC (Australian Film Commission) discontinues funding to small scale Video Access Centres. Frevideo (WA), Paddington (NSW) and Open Channel survive.

APR 1981 Planning for test broadcasts begin.

MAY 1981 SBS Board approves test broadcasts but without finance.

JUL 1981 Melbourne program makers and Open Channel telex Mr Sinclair, Minister for Communications, urging him to fulfil Government commitment.

NOV 1981 Cable and Subscription Television Inquiry by the Australian Broadcasting Tribunal hears submissions from PBAA and Open Channel.

FEB 1982 Preview broadcasts for Public Television on Channel 0/28.

MAY 1983 Second preview broadcasts for Public Television on Channel 0/28 Melbourne and Sydney.

TURNOVER

PAST Average time spent is 17 months.

Made up as follows:

7 staff stayed between 3 years and 6 years
7 staff stayed between 18 months and 2 years
8 staff stayed between 12 months and 18 months
9 staff stayed between 6 months and 12 months
12 staff stayed between 3 months and 6 months
7 staff stayed up to 2 months

PRESENT

1 - 3 1/2 years	1 - 15 months
1 - 2 1/2 years	3 - 6 months
3 - 2 years	1 - 3 months
1 - 18 months	1 - 1 week

SOURCE: Open Channel Personnel Records

RATIO OF MALE TO FEMALE

IN PAST, NOT including present staff:

	33 Female
	27 Male

Made up of:

Administrative: 17 Female
6 Male

Technical: 3 Female
7 Male

Production: 7 Female
8 Male

AT PRESENT: 6 Female
 6 Male

Made up of:

Administrative: 2 Female
2 Male

Technical: 1 Female
 3 Male
 (also 1 part-time Female)

Production: 2 Female
 2 Male

ADMINISTRATORS

2 Female (1 x 6 years, 1 x 7 months)
1 Male (2½ years and still going)

OPEN CHANNEL CO-OPERATIVE

PRESENT STAFFING POSITIONS:

Administrative:

- 1 x General Manager
- 1 x Accountant
- 1 x Office Administrator
- 1 x Receptionist

Production:

- 1 x Producer
- 1 x Production Manager
- 1 x Booking Officer (Equipment)
- 1 x Training Co-ordinator

Technical:

- 1 x Technician
- 2 x Technical Directors
- 1 x Technical Trainee

TOTAL - 12 POSITIONS

APPENDIX 10

WORKER CO-OPERATIVES INTENDERS PROGRAM - TIME TABLE

TIME	DAY	ONE - 12/11/85	TWO - 19/11/85	THREE - 26/11/85	FOUR - 03/12/85
2:00 - 2:30	1.	<u>Registration</u>	2:00 - 2:30 6. <u>Review</u>	10. <u>Briefing for Visits</u>	2:00 - 3:30 14. <u>Discussion Session</u> To allow each of the co-op groups to discuss issues of interest from visits to Worker Co-op and Business.
2:30 - 3:15	2.	<u>Introduction</u>		(1 hour travel 2 hour visit)	
TEA/COFFEE		3:15 - 3:30	2:30 - 2:45		3:30 - 3:45
3:30 - 5:30	3.	<u>Introduction to Worker Co-operatives</u>	2:45 - 4:30 7. <u>The Co-operative Business</u> Examination of the key elements of business.	11. <u>Visit to Worker Co-operative/ Business</u>	3:45 - 5:00 15. <u>Business Planning</u> To introduce participants to the concept of business planning.
SUPPER/SNACK		5:30 - 6:30	COFFEE - 4:30 - 4:45		5:00 - 5:15
6:30 - 7:30	4.	<u>Worker Co-operatives and Trade Unions Philosophies</u>	4:45 - 6:30 8. <u>Worker Co-operative Philosophy</u> Discussion groups and Development of Questionnaire	12. <u>Visit to Worker Co-operatives Business</u>	5:10 - 7:00 16. <u>Starting the Co-op</u> - Viability, funding criteria and services available. - Making your submission
TEA/COFFEE		7:30 - 7:45	SUPPER - 6:30 - 7:15		7:00 - 7:45
7:45 - 8:45	5.	<u>Discussion Session</u> To allow each of the Co-op groups to discuss issues of concern to them raised during the day.	7:15 - 9:00 9. <u>Testing the Business Idea</u> Analysis of individual groups business ideas and scale of operation.	13. <u>Review of Visits Completion and conclusion of questionnaires</u>	7:45 - 9:00 17. <u>Review and Evaluation</u>

THE CO-OPERATOR'S STEP-BY-STEP GUIDE
FOR START UP CO-OPERATIVES
TO THE
DEPARTMENT OF EMPLOYMENT AND INDUSTRIAL AFFAIRS
CO-OPERATIVE DEVELOPMENT PROGRAM (CDP)

1. Obtain Co-operatives publications - from the Co-operative Development Program Unit of the Department of Employment and Industrial Affairs - telephone (03) 658 6444.
2. Attend the "Introducing Worker Co-operatives" Workshop - Preston College of TAFE - telephone (03) 480 5166 for time and place. Advertised in The Age on Saturday prior to workshop.
3. Apply for Co-operative Intenders Course at Preston College of TAFE - contact CDP Unit.
4. Skills audit - contact CDP Unit.
5. Attend Intenders Course.
6. Group decides whether it wishes to establish a Co-operative.
7. Make application to the CDP Funding Committee for participation in New Enterprise Course.
8. Funding Committee makes recommendation to Minister. Minister advises group of his decision.
9. Co-operative New Enterprise Course - Preston College of TAFE - 3 months - learn how to develop an Enterprise Plan - and do the research and write it.
10. Take your Enterprise Plan to 3 Sounding Board meetings for comment and advice.
11. Finalise your Enterprise Plan.
12. Lodge the Enterprise Plan with the CDP Unit.
13. CDP seeks assessments of the plan - from the Sounding Board, Preston College of TAFE and other assessors (as appropriate). Your group gets a copy of each of these documents before the Funding Committee meets.
14. CDP Funding Committee study your Enterprise Plan and the assessments, meet with you and make a recommendation to the Minister.
15. Minister advises you of decision re grant and/or loan.
16. Group decided whether to accept the conditions of the Funding Agreement.

17. Co-operative registers and makes preparations to open business.
18. Co-operative business opens, once a suitable location is found. It generally takes a year to move from Step 1 to this point.
19. Co-operative Counselling Service available to assist the Co-operative.
20. Education and Training Plan used to continue development of the Co-operative.
21. Quarterly meetings of the Co-operative review progress.
22. Co-operative revises Business Plan, at least annually.
23. Co-operative may seek refunding for a further two years. Applications are considered as per steps 12 to 16.

NB: These steps are consecutive. Groups are not able to enter the program at, for example, step 9 or 14. The system is designed to ensure that Co-operatives are established after full consideration of issues of commitment and economic viability.

A separate process is being created for Conversion Co-operatives.

WHAT'S IT ALL MEAN?

Education and Training Plan - a document developed by the Co-operative members - details knowledge and skill needs of the Co-operative, and how these will be attained.

Enterprise Plan - sometimes called the Business Plan - detailed document developed by the Co-operative members - allows extensive prior consideration of problems and democratic participation - its value for external assessment (eg: for funding) is secondary.

Funding Agreement - comprehensive contract between the Co-operative and Minister - covers requirements for monthly financial monitoring, reviews, industrial democracy, audits.

Funding Committee - 5 Government officers, 6 co-operators - considers proposals for CDP funding and makes recommendations to the Minister.

Quarterly Review Meetings - of the Co-operative to review progress and plans - more "global" than meetings to determine routine operations of the Co-operative.

Sounding Board - panel of business and co-operator "experts" who comment on your draft and final Enterprise Plan - and discuss it with you.

LANGUAGE

Diverse community languages may be used within the CDP. Courses have already been conducted in Arabic and Turkish. Please let us know your requirements.

MYTHS ABOUT THE CO-OPERATION

There are many misconceptions about co-operation.

Co-operative are not synonymous with:

- Wage equalisation
- Job rotation
- Multi-skilling
- Short-term job creation
- Welfare
- Inefficiency
- Obsessive meetings
- Amateurism
- "Alternative" lifestyles
- Exploitative work practices
- Private enterprise